NEWSPAPER CLIPPINGS

Re: LOUIS CAMPAGNA, WASETAL.
PAROLE MATTERS - BRIBERY

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PAROLE INQUIRY FAR FROM DONE, PROBERS ASSERT

Aid Who 'Carried Load' for Clark Resigns

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Oct. 8—The resignation of Douglas W. McGregor, assistant to Atty. Gen. Clark, was announced today. McGregor is the man to whom Clark referred all requests of a congressional committee for records on the paroles of four Chicagsters and for data on pardons and commutations of criminal sentences by President Truman.

Douglas W. McGregor

Not until yesterday did McGregor supply the congressmen with some of the facts they sought on the release of the gangsters, who bludgeoned a million dollars from the moving picture industry, were sentenced to 10 years in prison, and paroled in August after serving only one-third of their sentences.

Truman Action Sought

Rep. Hoffman [R., Mich.] chairman of a subcommittee of the house committee on expenditures in executive departments, which has been investigating the paroles, said in a statement:

"I have asked President Truman to order the department of justice to give the congressional committee the information sought. In view of the fact his name has been connected with the Capone gang paroles, I feel he should insist that nothing be kept from us."

Hoffman and Rep. Busbey [R., Ill.], another leader in the effort to find out why the Chicago public enemies—Paul Ricca, Louis Campagna, Phil D'Andrea and Charles Gioe—were paroled, said McGregor could not be charged with blocking their efforts. It was obvious, the congressman said, that McGregor was merely "carrying the load for Clark."

Recall Clark Statement

"Mr. McGregor had nothing to do with the paroles, nor with the pardons we seek to investigate," Busbey asserted. "Atty. Gen. Clark has taken the same stand in these matters that he did when information was sought two years ago concerning Truman's granting clemency to James J. Gavin, an Indiana gambler. Clark and his pardon adviser, Daniel M. Lyons, who is now head of the parole board, joined in the statement:

"'Federal pardons are a matter of interest only to the government and the beneficiary.'"

McGregor, in a letter of resignation to President Truman, said that "illness in my immediate family necessitates my return to Texas." Clark announced that Peyton Ford, head of the justice department claims division, will become his acting assistant.

Hoffman and Busbey, who are aided by the parole inquiry by Representatives Hardy [D., Va.] and Snyder [R., W. Va.], said there still is considerable probing to do about the Capone gang paroles before they start on the pardons which were handled by Lyons, Clark, and Truman. Atty. Paul Dillon of St. Louis, a pal of President Truman, handled both paroles and pardons, the congressmen said, and all of them are to be studied.

"The resignation of McGregor will not slow us up," said Hoffman. "The resignation of T. Webber Wilson, chairman of the parole board at the time the Chicago gangsters were freed, started a parade."

Chicago Daily Tribune
Oct. 9, 1947

Ricca underpaid his income tax for the years 1935 to 1938, inclusive, together with the amounts for which the claims finally were settled; the settlement preceded by only five days the state and county election in Illinois on Nov. 5, 1946, in which Chicago's two Italian wards, the 20th and the 25th, unaccountably showed gains in Democratic strength, while all other wards in the city were recording Democratic losses:

	Amount owed	Settlement
1935	$ 11,205	$ 4,012
1936	54,102	12,182
1937	70,618	17,161
1938	22,630	2,685
Totals	$158,555	$ 36,043

It should be noted that, when Ricca originaly filed his income tax returns for these years, he paid a total of $21,679 tax on his admitted income, making his total tax payments, including the $36,043 paid at the time of the settlement, $57,722.

Gambling Dens Unmentioned

The records in the Ricca case made no mention of El Patio and the Austin club, two Cicero gambling houses from which Campagna admitted to the internal revenue department that he received large sums.

In the Campagna tax case, the government had "pinned" some of the extortion money to him, and it showed up in the settlement, it being understood that the settlement in his case contained a tax on some of his extortion loot. There is no such record in the Ricca settlement.

The Washington tax books show that, starting May 1, 1945, while Ricca and his companions in the extortion plot were in federal prison in Atlanta, the government claimed he had cheated on his 1935, 1936, 1937, and 1938 income taxes. Atty. Bernstein—who testified in Chicago that several mysterious men, all unknown to him, flitted into his office and dropped large sums of money on a desk, to be used in behalf of Ricca and Campagna—replied to the notice of tax deficiency on behalf of Ricca.

Gangsters Escape Prosecution

At the time of the tax settlement of both Campagna and Ricca, Atty. Bernstein asked the government for a finding that there was no fraud on Ricca's part in withholding any tax due, and apparently there was such a finding. This barred criminal prosecution of Ricca as a tax cheater, it was explained, and similar consideration was given to Campagna.

The government's bill of May 1, 1945, listed Ricca as owing income tax for 1935, 1936, 1937, and 1938. Rep. Fred E. Busbey [R., Ill.] noted that those were the good years for the Chicago gambling syndicate, of which Jack Guzik was the ostensible head, but of which Ricca, Campagna, and other notorious characters were known to be members.

Pre-Election Deal Disclosed

It was reported to Rep. Clare Hoffman [R., Mich.], chairman of the house committee investigating the paroles, that the Chicago gang raised the money to settle the income tax claims against Ricca and Campagna last fall by an arrangement whereby their slot machines were able to operate full blast during the preelection period of September, October, and the first week in November.

The congressmen announced their intention of following up reports that another part of the deal was that the gang's influence on the Italian vote in Cook county be used for the benefit of all Democratic candidates.

Vote Schemes Under Scrutiny

They said they intended to seek further data on stories that Tony Accardo, known as Joe Batters, who acted as regent in Chicago while "King Ricca" was in prison, visited Ricca in Leavenworth prison and worked out the arrangements whereby Italian votes were to be delivered.

The congressmen said they expected J. Edgar Hoover, director of the federal bureau of investigation, to furnish them with details on the national organization of the gang. If the gangsters were able to swing 50,000 votes to the Democrats in Chicago, they said, this influence on a national election might be important.

Chicago Daily Tribune
Oct. 3, 1947

Parole Chief at Hearing

(Story in adjoining column)

Daniel M. Lyons (left), federal parole board chairman, and James V. Bennett, director of federal prisons, waiting yesterday to testify before house subcommittee investigating paroles granted four Chicago hoodlums. [Acme Telep'x]

vention superintendent so as not to impede the parole inquiry.

The spotlight was then turned on Gioe.

"Do you want us to call him [Gioe] here?" Chairman Hoffman asked Lyons.

"No," said Lyons, who until a month ago was in charge of recommendations for pardons and commutations for federal convicts.

"Do you want us to subpena Ash?" Hoffman asked.

A "Despicable" Thing

"No," said Lyons. "I wanted to get his letters read into the record. It was a despicable thing for him to back out of his offer to act as Gioe's parole adviser."

Lyons then read the letters into the record.

Chairman Hoffman informed his colleagues that the federal bureau of investigation soon would conclude its inquiry into the paroles but that unless President Truman so ordered it appeared doubtful that the FBI report would be made public.

"We want to find out more about Gioe," Hoffman said in summing up what is still to be done. "We want to find out about the visits to Ricca in prison by the Chicago gang boss Tony Accardo. We want to find out the connection of Atty. Joseph Imburgio Bulger with the tax settlements for the gangsters."

Rep. Busbey said, "We want to inspect prison records and question the parole board members before we go into the pardon inquiry."

Chicago Daily Tribune
Oct. 8, 1947

CHARGES LYONS 'COVERING UP' IN PAROLE INQUIRY

Hoffman Hits Chairman for Defying Committee

BY JAMES DOHERTY

[Chicago Tribune Press Service]

Washington, Oct. 6—Investigation of the federal paroles given to four Chicago Capone gangsters, and of pardons and commutations granted by President Truman and the late President Roosevelt was halted today when Daniel M. Lyons, chairman of the United States parole board defied the jurisdiction of a congressional committee. Lyon's conduct was described by Rep. Hoffman [R., Mich.] as "hiding and covering up for a bunch of gangsters."

Lyons, a former Boston lawyer, had been "pardon attorney" in the office of the attorney general prior to being appointed chairman of the parole board. He clashed with the congressional committee headed by Hoffman when the investigation into the Capone gang paroles was started in Chicago 10 days ago, and today he followed other government officials in arousing the wrath of the investigating congressmen.

Parole Chairman Lyons was said by Rep. Busbey [R., Ill.] to be engaged in a second smear attempt—to smear Harry A. Ash, a Chicago Republican "whom the parole board would like to use as a scapegoat."

Reports Ash Resignation

"If Mr. Lyons' conduct represents an attempt by the national administration to pick out a minor Republican officeholder in Chicago and blame him for letting four dangerous convicts out of prison, it will not be successful," Busbey said. "I have been informed that Ash has resigned from his job as superintendent of crime prevention for the State of Illinois.

"Ash did not let the convicts out. He told me he had agreed to act as a parole adviser for one of them if and when the federal government let him out. The parole board, under the leadership of Mr. Lyons, was quick to seize upon a letter from Ash as an alibi for the parole board.

"Ash said he resigned from his job so as not to embarrass any one in the state service, and to permit congress to explore the whole parole and pardon mess without hindrance."

Singled Out Ash Letters

The controversy between Lyons and the congressional committee was precipitated by Lyons' determination to make public one or more letters he said Ash wrote to the parole board. Busbey said it was evident the board did not free the four convicts, whose crime was the extortion of more than $1,000,000, and who were given sentences of 10 years, because of any letter from Ash.

"We want all the correspondence the parole board has in its files on the four gangsters, and Lyons, for reasons of his own, wants to make public only Ash's letters.

Lyons, known to be one of Atty. Gen. Clark's right hand men, was before the house committee on expenditures of executive departments of which Hoffman is chairman and of which Busbey, Rep. Hardy [D., Va.], and Rep. Snyder [R., W. Va.] are other members. He said he had with him the records that had been subpenaed but he would not leave them with the committee.

Parries Hoffman's Question

"Are you acting on the orders of Atty. Gen. Clark?" Hoffman wanted to know.

"Are you threatening to take these files from me by force?" Lyons parried.

Hoffman said he had asked that all pardons handled by Lyons in the last 10 years be investigated, as well as all parole matters in which Atty. Paul Dillon of St. Louis, self-styled pal of President Truman, acted for the convicts. The government, he said, preferred to investigate Ash.

Hoffman was talking of issuing subpenas for Clark and James V. Bennett, United States director of prisons, when the session came to a noisy end. Later, it was reported, Lyons made certain conciliatory gestures and agreed to reappear before the committee tomorrow morning.

Ash, in a message to Busbey, said he had not written anything of which he was ashamed. He said he had been willing to help "in the rehabilitation of [Charles] Gibe," whom he knew as a boy.

"Lyons chooses to investigate me rather than the federal officials involved," Ash wired. "I am taking myself out of the way so he can't use me to shield his own people."

Chicago Daily Tribune
Oct. 7, 1947

HOW TRUMAN PAL POPPED INTO TAX CASE OF NASTER

Gets Short Shrift from Federal Judge Shaw

BY STEPHEN TOOLEY

Paul Dillon, St. Louis attorney and pal of President Truman, tried to step into different phases of the income tax prosecution of Bert K. Naster, head of Superior Electrical Industries, Inc., 1259 S. Campbell av., records of the federal District court revealed yesterday. Dillon's efforts, however, apparently failed.

Rumor around the federal courthouse after Naster was indicted was that he was "walking La Salle st." looking for a lawyer—preferably a former assistant United States attorney close to the then United States attorney, J. Albert Woll—who would be able to "fix" the case. The "fix" was meant to get Naster a light sentence in view of the adverse publicity attendant on his case after he slugged an army lieutenant in the Drake hotel. None of the former government attorneys was immediately receptive to Naster's desires.

Dillon Pops Up Here

Finally, however, Attorneys John Owen [a former assistant under Woll] and David M. Ratner appeared as counsel for him. Ratner took the lead part.

On Feb. 18, 1946, several months after Naster entered his plea of guilty to the indictment charging evasion of income tax payments totaling $221,575, the government produced at a hearing before Federal Judge Elwyn R. Shaw its evidence in support of the indictment and Atty. Ratner read a statement seeking clemency for Naster.

At the close of Atty. Ratner's statement, a bald, robust figure presented itself before the court:

"I am Paul Dillon, a member of the St. Louis bar and a member of various bars——"

"Are you an attorney in this case?" asked the court.

"I am not of record, but you asked, did——"

"I didn't ask to hear from you," Judge Shaw retorted. "I will hear from the government."

Truman Pal Goes 'Way Back

Atty. Dillon took a seat in the rear of the courtroom.

A few minutes later Naster was sentenced to serve five years in a federal prison as an income tax cheat. A stay of execution of sentence was granted to enable Naster to "get his business affairs in shape" and on April 10, 1946, he appeared before Judge Shaw with a plea to shorten his sentence. This plea was denied and he was immediately taken into custody by deputy United States marshals to begin serving his sentence. Court records show he will be eligible for parole Dec. 10—after serving only one-third of his sentence.

After Naster's court appearance on Feb. 18, 1946, and the mysterious appearance of Atty. Dillon, reporters approached the prosecutor, John B. Stephan [now in private law practice], to inquire as to Dillon's part in the case.

"From what I understand he's been around for several months in connection with Naster's civil tax liability," said Stephan. "Just what part he played in the settlement of the liability I don't know."

Federal court records disclosed, however, that Naster, before sentence was pronounced, paid the government $350,000 as part payment of his civil liability. The remainder of an approximate $450,000 federal claim was subject to a government lien on Naster's business. Government records now show that Naster has "paid in full" all liability.

Chicago Daily Tribune
Dec. 5, 1947

PAROLE PROBERS ASK TRUMAN FOR CLEMENCY DATA

Seek Facts on Vote Fraud Pardons

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Oct. 5—Rep. Hoffman [R., Mich.], chairman of the house committee on expenditures in executive departments, today made public a letter he has sent to President Truman, stating that in addition to the truth on the paroling of four Chicago Capone gangsters he and his committee want data on presidential pardons and commutations, including clemency granted by President Truman and the late President Roosevelt to more than a score of persons convicted of vote frauds in Kansas City, Mo.

Hoffman also made public an exchange of letters betwen himself and Daniel M. Lyons, temporary chairman of the United States parole board and for 15 years previously pardon attorney in the office of the attorney general. Lyons has been called by congressmen the "parole coverup man for Atty. Gen. Clark."

The activities of Paul Dillon, attorney and self-styled pal of President Truman who acted for the Chicago public enemies—getting their sentences cut from 10 to 3½ years—furnished the subject of both parole and pardon investigations, Hoffman said.

Boehm Pardon Mentioned

In his letter to Mr. Truman, Hoffman said that Douglas McGregor of the attorney general's office advised William Young, of the committee which is investigating the facts and circumstances in connection with the granting of paroles to Paul Ricca, Philip D'Andrea, Charles Gioe, and Louis Campagna, and which is also investigating the activities of the parole and pardon board, "that he could not and would not give us information contained in the records which has to do with the granting of pardons."

"Inasmuch as some members of our subcommittee and of the committee are interested in ascertaining the basis for the granting of certain pardons and particularly a pardon granted to Frank Boehm in which Paul Dillon, I am advised, appeared as his attorney, this information is sought," Hoffman wrote.

"Mr. Young also requested that he be permitted to examine the files in connection with the pardoning of certain individuals who were prosecuted and convicted in connection with certain election frauds in Kansas City.

"Will you kindly advise whether this information is to be made available to our subcommittee or the committee?"

Sentence Cut by F. D. R.

The Frank Boehm referred to in Hoffman's letter is a former St. Louis utilities magnate who was convicted of perjury in connection with an investigation of the corruption fund of the Union Electric company of St. Louis and sentenced to five years in prison in 1940. Dillon obtained a commutation of the sentence to two years thru the late President Roosevelt, and later obtained a parole for Boehm while T. Webber Wilson was serving as federal parole board chairman.

Hoffman said he believed the President should be given an opportunity to dissociate his name from the parole and pardon scandals arising out of the activities of Dillon, who, according to his own testimony, cultivated the friendship of Wilson.

Committee Will Ask Questions

Hoffman said his letter to Lyons was in reply to a communication from Lyons, who has been accused of trying to divert blame for the parole scandal from high government officials by mention of Harry A. Ash, a minor Republican office holder of Chicago. Last week Lyons wrote to Hoffman asking him to subpena Ash so he [Lyons] could question him before the committee. Hoffman told him to submit any questions he wanted Ash to answer and the committee would ask them.

A subpena was issued for Lyons to be present at the committee room at 3 p. m. tomorrow. By that time Hoffman said, he hopes to have some word from the President on whether Lyons and Atty. Gen. Clark's defiance of the authority of the congressional committee is approved or disapproved by Truman.

Chicago Daily Tribune
Oct. 6, 1947

PAROLES PLACE MOBSTERS IN AN EXCLUSIVE SET!

Only 8% of U. S. Inmates Get Freedom Early

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Oct. 7—Rep. Busbey [R., Ill.] today called the attention of his fellow members of a house subcommittee to the fact that four Capone gangsters of Chicago recently given paroles were in an exclusive prison set. Busbey said the four were in the 8 per cent of federal prison inmates released early in their eligibility period.

Busbey told the members of the congressional group, headed by Rep. Hoffman [R., Mich.] that the Chicago public enemies—Paul Ricca, Louis Campagna, Phil D'Andrea, and Charles Gioe—likewise were happily in the 45 per cent of federal prisoners lucky enough to get paroles at any time. The subcommittee is investigating the paroles, handed to the four men after they had served only one-third of their 10 year prison terms.

Busbey, who represents a portion of Chicago's south side, also informed his colleagues that Charles Gioe, held to be a mystery man by some federal officials, was in 1943 one of the owners of the Don the Beachcomber restaurant and bar in the near north side. This was at the time Gioe and the others were convicted in New York of extorting over $1,000,000 from moving picture companies.

Political Connections

As a partner in Don the Beachcomber, Gioe was close to the management of another Chicago bright spot whose owners were also partners in the Beachcomber restaurant, it was explained. And that management had political connections.

Parole Board Chairman Daniel M. Lyons today reminded the congressmen that they had not examined Gioe at a recent hearing in Chicago. Lyons had insisted, Hoffman said, that Harry A. Ash, a Chicago Republican the government listed as Gioe's "parole adviser," be questioned again, and that Ash's letters to the parole board be made public.

Some of the members of the subcommittee said Lyons was trying to "sidetrack" the investigation of paroles as well as of pardons and commutations. That would be done thru diverting the congressmen's attention to Ash and Gioe, they said.

Ash Quits Post

Ash sent word he had resigned his Illinois state job as crime pre-

Chicago Daily Tribune
Oct. 8, 1947.

DEMANDS CLARK SURRENDER DATA ABOUT PAROLES

Rep. Hoffman's Requests to Aid Rejected

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Oct. 2—Responsibility was placed today on Atty. Gen. Clark for refusals by government department heads to furnish public records to the congressional subcommittee investigating the paroles granted to four Chicago gangsters thru the influence of Atty. Paul Dillon of St. Louis, who bragged of his friendship with President Truman.

Rep. Clare Hoffman [R., Mich.], chairman of a house committee on expenditures and of the subcommittee which started the parole investigation, notified Atty. Gen. Clark that he had been refused the cooperation of some of Clark's subordinates. He asked Clark to make the records available or explain why he [Hoffman] should not be given them.

Federal Officials Withhold Data

Rep. Hoffman said he had been refused data on the four paroled convicts, Paul Ricca, alias De Lucia; Louis Campagna, Philip D'Andrea, and Charles Gioe, by James V. Bennett, director of the bureau of federal prisons. Hoffman disclosed that Assistant Atty. Gen. Douglas McGregor denied his [Hoffman's] right to examine the prison files concerning the convicts.

The positions of Bennett and McGregor were disclosed after Parole Board Chairman Daniel M. Lyons had refused to supply to the congressmen the information they requested, Hoffman said, adding that it appeared that Lyons had been designated by the administration as the "cover-up man" and that Lyons had tried to prevent the exposures already made by the committee.

Rep. Busbey [R., Ill.] volunteered to go to the prisons and make this investigation. Hoffman said, however, that the records should be produced before the committee in Washington without question by Bennett, McGregor, Clark, or any other government official.

Ricca-Accardo Link Sought

It is no secret that Hoffman is seeking the facts on the reported visits to Ricca by Tony Accardo, Sicilian gang boss in Chicago while Ricca was in prison. Also, it was learned today, the congressman was told that Murray Humphries, who once aspired to the title of public enemy No. 1 and the power once held by Al Capone, was another of Ricca's prison visitors.

Some Chicago politicians may have been among the group who called on Ricca and Campagna in prison, the congressman added. He said testimony brought out in the Chicago hearings last week indicated that Atty. Eugene Bernstein, the 24th ward Democratic leader who negotiated the tax settlements for the top Capone gangsters, was accompanied by others, as yet unnamed, when he saw the gangsters in prison.

Bennett Puts It Up to Clark

Prison Director Bennett refused to permit a newspaperman to look at any of the prison records pertaining to the Chicago gangsters.

Bennett said the matter of showing or explaining his records was up to Atty. Gen. Clark. Acting for Clark, Leo M. Cadison turned down the reporter's request. Atty. Gen. Clark and his chief assistant, McGregor, were reported "out."

"Clark will be subpenaed, and so will McGregor and Bennett," said Rep. Hoffman. "They ought to be coöperating with us to bring out the truth about these paroles instead of trying to block us. The more they try to hide, the more we feel we must find out and tell the public. The whole mess is Atty. Gen. Clark's responsibility and we will hold him to it."

Chicag. Daily Tribune
Oct. 3, 1947

PAROLEE RICCA SAVES EXTORT, GAMBLING TAX

Settlement Made Before Election

Raid Campagna Dens

Two Cicero gambling houses from which, THE TRIBUNE disclosed yesterday, Louis Campagna, Capone hoodlum recently paroled, admitted receiving more than $200,000 in four years on his income tax statement, were raided yesterday by county highway police on orders of Sheriff Walsh. In El Patio, 5914 Cermak rd., now known as the A and R lounge, the raiders found 11 persons betting on the horses and arrested one man as keeper. In the Austin club, 5941 Roosevelt rd., the raiders found 22 persons and arrested one man as keeper and another as an inmate.

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Oct. 1—When the government settled its $158,555 income tax dispute with Paul Ricca, high executive of the Capone syndicate, for $36,043 on Nov. 1 last year, it didn't charge him for any of the more than a million dollars a federal court found that he and others extorted from the motion picture industry, THE TRIBUNE learned today.

Neither do the Ricca tax records show that any of his income was received from gambling, as do the records in the tax settlement of Louis [Little New York] Campagna, another Capone hoodlum, and a co-defendant in the extortion trial.

Yet, when Ricca was testifying in Chicago last week before a congressional committee inquiring into why Ricca, Campagna, Philip D'Andrea and Charles Gioe were granted paroles after serving only one-third of their ten year sentences, Ricca told the committee his income from gambling had averaged between $50,000 and $100,000 a year.

Chicago Daily Tribune
Oct. 2, 1947

Ricca Penalties Waived

Ricca, alias De Lucia, is national head of a Mafia organization and was described by former Atty. Gen. Francis Biddle as treasurer of the Capone syndicate.

Ricca, it was learned by THE TRIBUNE, paid the government $36,043 thru his attorney, Eugene Bernstein, a 24th ward Democratic organization leader twice indicted for vote frauds. The payment was in full settlement of a claim for $116,081 on Ricca's income for the years from 1935 thru 1938. Actually, the claim was $158,555, including penalties, but the penalties were waived.

How Ricca Saved Thousands

Following is Ricca's total reported net income and the income the government charged he received for the years 1935 to 1938, inclusive:

	Reported	Claimed
1935	$ 13,260	$ 58,017
1936	24,000	107,899
1937	42,916	127,963
1938	59,747	76,624
Total	$139,923	$370,503

Following are the amounts by which the government charged

CAMPAGNA AID OF CAPONE THRU HIS VICE CAREER

Louis [Little New York] Campagna, one of four recently paroled Capone gang extortionists, whose income from gambling is revealed in an adjoining column, was one of Al Capone's first bodyguards, a function that he shared with Mops Volpe and the late Frankie Rio. Campagna first appeared in Chicago as a hanger-on around Taylor and Halsted sts., in the old "Bloody 20th" ward. He came here from New York, and for years was known as "Lefty Louie."

Later he drifted to the syndicate vice empire centering at Cermak rd. and State st. and Cermak and Wabash av., where he first came to Capone's notice. He became Capone's official chauffeur in the intervals when Campagna was not serving as doortender at one of the various vice dens.

Capone Calls in Campagna

In 1931, when it appeared for a time that Al Capone might be tried for the murder of Joe Howard, a bartender who had offended Jack Guzik, in a saloon at 2300 S. Wabash av., Capone summoned Campagna and Frankie Rio to Florida and ordered them to "take care" of the witnesses. The case, however, never went to trial and Campagna and Rio were not needed.

After Capone went to prison, Campagna rose rapidly in influence, until he shared direction of the

Louis Campagna — William Heeney

mob with Rio, Frank Nitti, and Ricca.

One of Campagna's partners in the two Cicero gambling houses from which Campagna admitted more than $204,000 income, Joe [Fifke] Corngold, is viewed by police as sort of an overlord of Cicero gambling.

Corngold Hides from Light

Corngold was a bodyguard for Louis Cowen, publisher of a Cicero newspaper and slot machine boss of the western suburbs, when Cowen was shot and killed in his automobile in front of the Clifford theater at 5935 Roosevelt rd., Cicero, in 1933. Pellets from the shotgun blasts which killed Cowen wounded Corngold in the leg. Corngold is a veteran of the syndicate's gambling operations, but is seldom in the limelight.

Campagna's other partner in the two gambling houses mentioned in his income tax cases was William Heeney. He came to Chicago from St. Louis and became a minor syndicate hanger-on in 1918 or 1919. He was questioned and released in the murder of William M. McSwiggin, an assistant state's attorney, in front of a Cicero saloon in 1926. Heeney also was sought by police after the slaying of Hymie Weiss in front of Holy Name cathedral, and was said by police to have aided in setting the trap which resulted in the death of Joe Aiello, head of the Chicago Mafia, an Italian secret society.

Heeney Active in Gambling

In addition to his interest in the Cicero gambling houses, Heeney has an interest in slot machines in Cicero, and also in gambling houses in Melrose Park. At present he is confined to a hospital bed with a broken hip, suffered in a fall.

He spends his winters in Florida, and is known as the syndicate's contact man with gangsters in other cities.

Thru 1937 and most of 1938, T. L. Stoboda was chief of police of Cicero. He was succeeded in November, 1938, by Martin Wojciechowski.

The office of sheriff of Cook county in 1937 was occupied by John Toman. He in turn was succeeded in December, 1938, by Tom J. O'Brien, now a Democratic congressman. Thomas J. Courtney, a Democrat, was state's attorney.

Chicago Daily Tribune
Oct. 1, 1939

GANGSTER'S GAMBLING INCOME SECRET BARED

Wealth Garnered from 2 Gambling Dens in Cicero

BY JAMES DOHERTY

(Pictures on page 2)

(Chicago Tribune Press Service)

Washington, Sept. 30—Louis (Little New York) Campagna, one of the four million dollar extortionists of the Capone gang paroled after serving the minimum of their 10 year terms, was granted an 80 per cent reduction in his $468,877 income tax bill Oct. 30 last year, six days before the state and county election in Illinois, The Tribune learned today.

A few days before the election, politicians detected a sudden switch of sentiment in Chicago's predominantly Italian wards, the 20th and the 25th. Word went out that the Italian vote would be strictly Democratic. On election day, these two wards were the only ones in the city where the Democrats gained over the vote in the Presidential election two years previously.

Huge Gambling Profits

The Tribune also learned today that, in his income tax dealings with the government, Campagna admitted that his share of the profits from two notorious Cicero gambling houses, El Patio, at 5912 Cermak rd., and the Austin club, on the south side of Roosevelt rd., east of Austin blvd., was $204,152 for the years 1937 to 1940, inclusive. The government charged his actual income from this source was much greater.

Last week a congressional committee in Chicago investigating paroles granted Campagna and his three fellow extortionists, Paul Ricca, Philip D'Andrea, and Charles Gioe, discovered that all four men were released six days after a visit to the parole board here in their behalf by Paul Dillon, a St. Louis attorney tied up with the Pendergast machine. Dillon, a former St. Louis campaign manager for President Truman when he ran for the senate, was also at one time attorney for John Lazia, a one time Kansas City, Mo., Democratic leader who once was described as agent for the Capone mob there. Lazia was machine gunned to death.

Money Comes in Bundles

The committee in its Chicago hearing learned that the money used to settle the greatly reduced income tax claims against Campagna and Ricca was dropped in large bundles, by mysterious and unidentified persons, on the desk of an attorney twice indicted for vote frauds in the 24th ward, the home ward of Jacob M. Arvey, now chairman of the Democratic county central committee.

In detailing his profits from gambling houses to the income tax authorities, Campagna said that he shared the profits from El Patio and the Austin club in partnership with Joe Corngold, sometimes described as Cicero's gambling overlord, and William Heeney, veteran Capone gangster, who was questioned and released in the slaying of Assistant State's Atty. William M. McSwiggin in front of a Cicero saloon in 1926.

Revenue agents pointed out

Chicago Daily Tribune
Oct. 1, 1947

that this would indicate the profits from the two gambling houses were more than $600,000 for the years mentioned. The government, however, did not rely exclusively on Campagna's statement of what his profits were. The government has a way of estimating profits from the estimated amount of play, figured out thru social security and unemployment tax payments of all employes of gambling houses.

Campagna Figures Challenged

Campagna, in his income tax returns, said his gross receipts from the two gambling houses in 1937 were $43,160; in 1938, $51,353; in 1939, $64,308, and in 1940, $45,331. The government, using its own figures, contended Campagna received $58,364 in 1937, $65,808 in 1939, and $46,413 in 1940.

Following is Campagna's total reported net income and the income the government charged he received for the yars 1935 to 1940:

	Reported	Claimed
1935	$ 7,169	$ 44,957
1936	31,152	83,988
1937	42,799	124,446
1938	50,805	124,632
1939	63,092	105,143
1940	45,863	81,773
	$240,880	$561,650

Analysis of Tax Dicker

Following are the amounts by which the government charged Campagna underpaid his income tax for the years 1935 to 1941, together with the amounts for which the claims finally were settled:

	Amount owed	Settlement
1935	$ 9,424	$ 2,859
1936	58,691	15,711
1937	100,572	32,725
1938	51,124	17,752
1939	37,629	10,865
1940	32,447	9,112
1941	33,950	1,315
	$323,837	$90,369

To the total of the claimed deficits were added penalties which brought the total amount to $468,877. When the settlement was concluded and the money paid Oct. 30, six days before the Cook county elections, the penalties were waived, so that the only money actually paid was the amount of the agreed settlement. The settlement, therefore, was on the basis of slightly more than 19 cents on the dollar.

Want Facts from Bernstein

Eugene Bernstein, the attorney on whose desk the money to pay the reduced income tax claims against Campagna and Ricca was dropped, quoted one set of anonymous cash bearers as saying, "Pay this for Louis," and another set as saying, "Pay this for Paul."

Rep. Hoffman [R., Mich.], chairman of the committee investigating the paroles, asked Bernstein, "With whom did you negotiate the income tax settlement for Campagna and Ricca?"

Hoffman said Bernstein did not make a direct reply, so the committee will try to determine whether Dillon, the St. Louis lawyer, used his Presidential connections to help settle the heavy tax delinquency. Hoffman said he also wanted to know what part Atty. Joseph I. Bulger, with offices at 39 N. Clark st., played in the tax matter. Bulger's name did not appear on any of the files examined today. The congressmen learned that Bulger had communicated with certain parties for families of the imprisoned extortioners.

Money Paid for Transfer?

The records examined today showed that the tax settlement negotiations were begun while the four Chicago hoodlums were in the federal prison at Atlanta. Testimony before the Hoffman committee disclosed that Atty. Dillon got them transferred to Leavenworth penitentiary, altho prison authorities had objected, saying, "it is evident that money was paid to obtain the requested transfer."

At the time the income tax settlement was made, just prior to the county election, slot machines were running wide open in the county suburban towns and the Campagna gambling houses were operating full blast.

Final figures of the Campagna income tax settlement do not indicate what part of the income represents gambling money, and what part money received from the extortion of a million dollars from the movie industry, for which Campagna and the others were convicted in New York in 1943. The government levied against him for all the money traceable to him as a result of the extortion conspiracy.

The files do not show any gambling income from Ricca.

Hoffman Rebukes Lyons

Rep. Hoffman today rebuked Daniel M. Lyons, chairman of the United States parole board, for raising the cry of "politics" after Lyons and requested that Hoffman call Charles Gloe, one of the parolees, and Harry Ash, Illinois superintendent of crime prevention,

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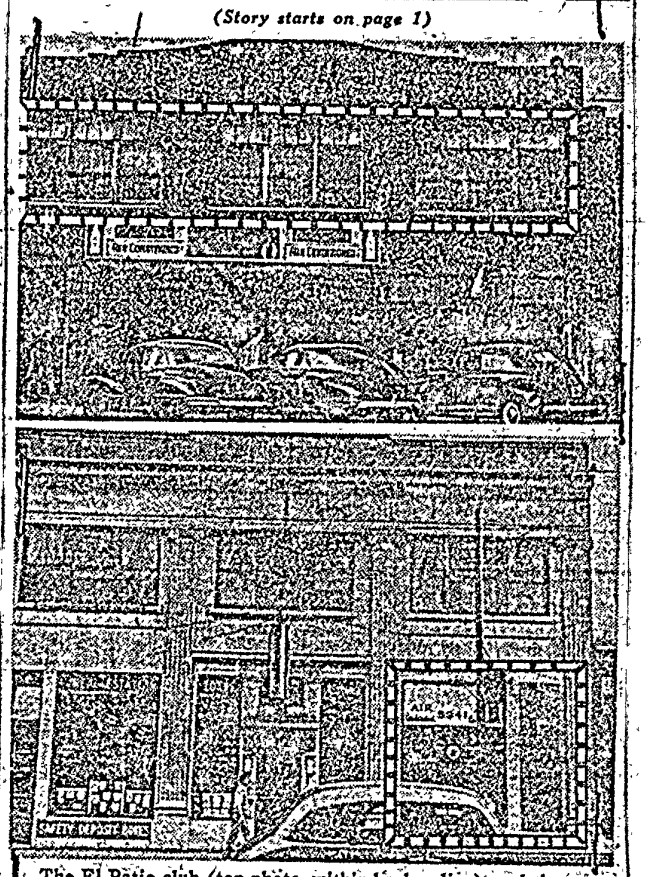
Sources of Hoodlum Revenue

(Story starts on page 1)



The El Patio club (top photo, within broken line), and the tavern on Roosevelt rd. (bottom, within broken line), in the rear of which is the Austin club. Louis Campagna reported gambling income of $204,152 for the four years of 1937 to 1940, inclusive, from the two clubs.

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CUT MY TAX, TOO, PLEADS BROWNE, PAROLEES' DUPE

BY JAMES DOHERTY

Attorneys for George E. Browne, former president of the International Alliance of Theatrical and Stage employes, who testified for the government against Paul Ricca [DeLucia]; Louis Campagna, Phil D'Andrea; and Charles Gioe in their $1,000,000 extortion trial in 1943, were trying yesterday to compromise Browne's income tax delinquency—a compromise such as was made in the case of the gangsters.

A stipulation was under discussion in which the amount owed by Browne would be set at $180,626—a tax of $119,311 plus penalties of $61,315. Atty. Paul Donovan, representing Browne, said the government originally claimed $256,627—taxes of $228,256 plus penalties of $28,371.

Government officials were vague about the information they permitted to get out about the settlements in the cases of Ricca and Campagna, who, Browne said, figuratively had a pistol at his head while he was president of the union and used him to extort huge sums from prominent film company executives.

Settle at Bargain Rates

In the congressional hearing on the paroles, Atty. Eugene Bernstein, 24th ward democratic power, said a government claim of approximately $480,000 against Campagna was settled for $89,000. Bernstein said the government's claim for $188,000 against Ricca was compromised for approximately $39,000.

Atty. Donovan, who was waiting for the arrival of Atty. Edward J. Behrens of New York to join him in the tax case against Browne, didn't say what he was willing to pay in Browne's behalf.

Browne and Willie Bioff, a Capone gangster and former pander who was delegated to keep Browne under the mob's control, obtained a diminution of their prison sentences by testifying against Campagna, Ricca, D'Andrea, and Gioe. In effect they said that at first they were compelled to give one third of their extortion loot to the syndicate headed by Ricca and that later this tribute was increased to two thirds.

Take Put at $1,500,000

The hearing at which Rep. Clare Hoffman [R., Mich.] presided and in which Representatives Fred Busbey [R., Ill.], Ralph Church [R., Ill.], Melvin Snyder [R., W. Va.] and Porter Hardy, [Dem., Va.] participated, reviewed testimony that the gangsters obtained more than $1,500,000 from the motion picture companies—by threats of strikes and violence.

Atty. John D. Kiley, representing the government, said each case is considered solely on its merits. That was taken to answer a query as to whether Browne was not entitled to at least as good a settlement as the one made with the men he described as pirates who seized his union and used it to enrich the Capone gang members.

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NEIGHBORS TELL OF FARM RICHES OF 2 GANGSTERS

Congressmen Plan Probe of Wealth

BY JAMES DOHERTY

Neighbors of two of the four Capone gangsters whose paroles from federal prison last month were arranged by Atty. Paul Dillon of St. Louis, pal of President Truman, yesterday gave data on the farms owned by the two known as top men in a national crime syndicate.

The gangster-farmers are Paul De Lucia, alias Ricca, alias Salvi, and Louis [Little New York] Campagna, public enemy of 30 years' standing. They, with their associates, Phil D'Andrea and Charles Gioe, were paroled Aug. 13 after they served three years and four months of 10 year sentences imposed on them as "million dollar blackmailers and union pirates."

Wealth Impresses Probers

Not only the magnificent farms of the gangsters but other evidences of their great wealth were said to have made an impression on the congressmen who conducted an inquiry here last week into the why, how, and how much of the paroles. The congressmen are Representatives Hoffman [R., Mich.], chairman of the investigating committee; Busbey [R., Ill.], Hardy [D., Va.], and Snyder [R., W. Va.]. Representatives Church [R.] of Evanston and Dawson [D.] of Chicago were present for part of the inquiry.

Ricca testified that his income was $50,000 to $100,000 a year for several years before he went to prison.

No Request for Restitution

"The government produced evidence that these men obtained more than $1,000,000 from the motion picture industry alone in their extortion program," said Rep. Hoffman. "The parole officials did not ask them to make restitution of one penny."

Campagna's wife, Charlotte, said the profit on their Indiana farm was $30,000 a year. She later retracted that statement but didn't substitute any other figure. Their other farm in Berrien county, Mich., is not a money-maker, the wife testified.

Campagna's neighbors in Berrien Springs, Mich., said he bought the 80 acre farm there about 15 years ago. It is regarded more as a summer home and fine country estate than as a farm to make money.

Estate Fenced In, Gates Locked

Campagna formerly raised hogs and cattle there but now raises only alfalfa. The place is modernized, the farm is surrounded by a wire fence six feet high and the gates are kept locked at all times.

Its value was estimated at $50,000. Guy F. Heim, former mayor of Berrien Springs and former owner of a drug store there, said the Campagna family and friends would come into his store and buy whatever they saw that they liked — never asking the price, he said.

Campagna's other farm, near Fowler, Ind., in Benton county, consists of 800 acres, and the story yesterday was that Campagna recently sold 92 head of Hereford steers for $30,000. He has more than 100 head of cattle left and many hogs.

The farm is managed by David Sheets Jr., said to be a nephew of Warren [Sonny] Sheets, Lake county, Ind., gambling czar. Warren Sheets has a neighboring farm.

Paid $100,000 in Cash

Campagna paid $100,000 cash for the farm six years ago, according to a real estate man in Fowler, who said it would easily bring $175,000 now. The farm's fine home has been undergoing remodeling since Campagna got out of prison with the help of Dillon. It has 15 to 20 rooms, and four new bathrooms and new kitchens are being installed.

There are 8 to 10 other buildings on the farm. It is protected day and night by guards who are supposed to be from Chicago and who let no neighbors inside the grounds.

Ricca formerly had a $75,000 home [pre-war prices] at Long Beach, Ind., where he had a swimming pool, a large garage, and where the board of directors of the crime syndicate held their meetings, according to testimony in his trial.

Ricca now lives in a fine home in River Forest. His real home, however, is his Kendall county estate of 1,100 acres, about two miles east of Newark and 25 miles from Joliet. Ricca bought the farm in 1942 for $180,000 and it since has been known as the Francis Curry farm because Curry, a Joliet gambling and political figure, has been, supposedly, the manager of it while Ricca was in prison.

Promises Full Investigation

"My colleagues and I will investigate the wealth of these men, and investigate it thoroly, when we resume our sessions in Washington," Hoffman said. "My colleagues were amazed and intrigued at the stories of easy money and big money in Chicago.

"They particularly liked the story of how eight or nine persons — names not known to any one — walked into the office of the lawyer, Hugene Bernstein, 24th ward Democratic power], and left sums of money that eventually aggregated $368,000, which was used to pay off the income tax delinquencies of Ricca and Campagna."

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SEEK TO LEARN WHO PAID TAX OF GANGSTERS

Congress Asks FBI, Treasury for Aid

BY JAMES DOHERTY

Congress will seek to learn the sources of the cash used to settle delinquent income tax liens against two of the four Capone gang bosses recently paroled thru the influence of Atty. Paul Dillon, friend of President Truman and a Democratic political figure in St. Louis, Mo., it was announced yesterday by Representatives Clare Hoffman [R., Mich.] and Fred E. Busbey [R., Ill.].

They are members of a committee that concluded a two day hearing here Friday night. The paroles, termed "outrageous and scandalous," will be investigated further, the congressmen asserted.

Busbey disclosed congressional suspicion that the $128,000 that was dropped on the desk of Atty. Eugene Bernstein, 24th ward Democratic power, by "unknown persons" to settle the tax claims against two gangsters came from Cook county slot machines. Of this amount, $89,000 was to settle a $468,877 income tax claim against Louis [Little New York] Campagna and $39,000 was to settle a tax claim of $180,000 against Paul de Lucia, alias Ricca.

Called "Expedited Paroles"

The others paroled after serving only a third of their 10 year sentences for extorting $1,000,000 from the movie industry are Phillip D'Andrea and Charles Gioe.

There are still a dozen or more phases of the "expedited paroles" that congress must investigate, said Rep. Hoffman, chairman of the committee. Many government employes are yet to be questioned about how the gangsters got out of prison.

"We will seek further links between Chicago's underworld and the St. Louis lawyer who had entree to the White House," Hoffman said. "The underworld of Kansas City, Mo., St. Louis, and Chicago seem to have acted in concert here."

FBI to Trace Money

Busbey said he thought it would be the duty of the federal bureau of investigation to run down the source of the money mysteriously given Bernstein by persons who, the 24th ward lawyer testified, simply said, "Pay this for Louis"—referring to Campagna—and "Pay this for Paul"—referring to De Lucia, alias Ricca [The Boss].

Incidentally, it was reported that the treasury department would be notified of the admissions by Bernstein at the hearing, and that these "contributions" to De Lucia and Campagna may be held to be taxable. It was contended that the $89,000 furnished to pay the claim against Campagna actually was income on which he might owe an additional $50,000 or more. The $39,000 dropped in Bernstein's lap for "Paul" would be in the same classification, and De Lucia, too, might be compelled to pay $25,000 or more in additional taxes.

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Parole Revocations Hinted

In addition, the congressmen said they believed Campagna, De Lucia, D'Andrea, and Gioe face revocation of the paroles. Daniel Lyons, newly appointed chairman of the parole board, admitted to the congressmen, they said, that what he learned while in Chicago during the two day hearing put the paroles in a new light.

Until his admission that "further investigation seems in order," Lyons was under orders from United States Atty. Gen. Tom C. Clark to give no additional information to the public concerning the four gangsters, the congressmen said.

"Traded on Truman Friendship"

Rep. Hoffman said it was apparent that Dillon traded on his friendship with President Truman in obtaining paroles for the Chicago criminals—and others. A memorandum written in 1945 by Frank Loveland, acting director of United States prisons, referred to Dillon as "Mr. Paul Dillon of St. Louis, who stated that he was former campaign manager for President Truman."

Loveland said Dillon was asking for the transfer of De Lucia and Campagna—the big money men of the Chicago mob—from the Atlanta, Ga., prison to the Leavenworth, Kas., prison. Later, it was shown, Warden Joseph W. Sanford of the Atlanta prison protested against this transfer "because it is quite evident that money is being paid to obtain the transfer of these men."

"We've got to go into that transaction thoroly," said Rep. Busbey. "I expect to go to Atlanta on that investigation."

Rep. Hoffman said he had been informed that Dillon, many years ago, had been the subject of disbarment proceedings in St. Louis. He said Dillon had given an evasive answer when questioned about this while on the witness stand Friday.

Bare 1916 Disbarment Move

Yesterday word came from St. Louis that a petition was filed in the Circuit court there in 1916 seeking Dillon's disbarment as a lawyer. The petition charged him with malpractice. He left St. Louis immediately after the petition was filed, and eventually the case was dropped, it was reported.

"I was out of the practice of law for eight years while I lived in Boston," Dillon was quoted by Hoffman, who added that Dillon denied knowing Lyons, present parole board chairman whose home was in Boston, while he was away from his St. Louis law practice.

Representatives Hoffman and Busbey, in a conference before both left the city yesterday, recalled that Dillon admitted having had gangster clients in Kansas City, as well as in St. Louis, and that he termed himself a protege of Tom Pendergast, former political boss of Kansas City and the man who pushed Harry Truman into a seat in the United States senate.

"Dillon also testified that he cultivated the friendship of T. Webber Wilson, chairman of the parole board when it freed the Chicago gangsters for him," Hoffman said. "Wilson has admitted having granted paroles to the men convicted of vote frauds in the Kansas City, Mo., investigation that broke the political back of Boss Pendergast.

"Perhaps it isn't too late to inquire into those paroles, and to see whether they were justified."

Investigate Speedy Action

The congressmen said they would request federal prison and parole authorities of Leavenworth to "explain the hurry-up orders they issued" to free the four Chicago gang leaders a few days after Dillon called on Wilson in Washington.

Representatives Melvin Snyder [R., W. Va.] and Porter Hardy [D., Va.], other members of the committee which heard the evidence regarding the paroles—and which brought to light the names of many prominent gangsters, including Jack Guzik and Hymie Levin, who formerly ran the 1st ward Democratic organization and the 1st ward Republican organization—said the inquiry must proceed until "all facts are made known."

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TRUMAN EX-AID BARES SPEED IN BOARD ACTION

His Plea Granted in Six Days

BY JAMES DOHERTY

(Pictures on page 7 and back page).

Atty. Paul Dillon, Democratic political figure of St. Louis, Mo., twice St. Louis campaign manager for President Truman and frequent visitor at the White House, told a congressional committee yesterday how he obtained the paroles of four Chicago public enemies sent to federal prison for a 1 million dollar extortion on the motion picture industry. The paroles were granted six days after Dillon had interceded for the convicts with two members of the federal parole board.

Dillon and Paul De Lucia, alias Ricca, alias Silvia, shared the attention of Representatives Clare Hoffman [R., Mich.], Porter Hardy [D., Va.], Melvin Snyder [R., W. Va.], and Fred E. Busbey [R., Ill.] and Ralph Curch [R., Ill.], who held a hearing in the United States courthouse to find out why Ricca (the alias De Lucia prefers in Chicago), and three other members of the Capone gang were set free after serving only a third of their 10 year terms.

Active in Parole Field

Highlights of Dillon's testimony were:

1. In addition to getting paroles for Ricca, Louis Campagna, Philip D'Andrea, and Charles Gioe, he also obtained a parole for John P. Nick of St. Louis, vice president of the International Alliance of Theatrical and Stage Employes, who, like the others, was convicted of extorting money from the movie industry. Dillon said he hadn't been paid by the parolees.

2. Dillon arranged to have the four Chicago gangsters transferred from the Atlanta federal prison to the prison at Leavenworth, Kas., at the request of Edward M. [Putty Nose] Brady, Democratic member of the Missouri legislature, who frequently visited at the home of Mrs. Campagna, wife of the gangster then in prison.

3. Dillon admitted he was a close friend of T. Webber Wilson, chairman of the parole board who resigned two weeks after he signed the parole papers for the Chicago gangsters.

4. Dillon admitted consulting Wilson on the paroles Aug. 5 or 6. Other testimony disclosed that parole authorities in Leavenworth asked the Chicago parole office on Aug. 8 to "expedite" all arrangements to get the gangsters out of prison quickly.

5. Disclosure that Tony Accardo, Chicago Sicilian chief, visited Ricca in prison.

Bernstein Stars Again

Next to Dillon and Ricca, a stellar attraction yesterday was Atty. Eugene Bernstein, 24th ward Democratic precinct captain. Two vote fraud indictments against him disappeared into thin air. Bernstein, who

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assured the congressmen, "Really, this isn't a fantasy," still didn't know who gave him $89,000 to settle a $468,877 income tax claim against Campagna, one of the paroled gangsters, and $39,000 to settle a $180,000 claim against Ricca.

It was when Atty. Dillon, pal of Postmaster General Robert E. Hannegan, who is chairman of the Democratic national committee, said he didn't know to whom to send a bill for his services in obtaining a parole for the four Chicago gangsters, that Rep. Hoffman, chairman of the committee, said:

"Send your bill to Bernstein."

"It will be paid, if you do," Bernstein said.

Dillon Protege of Pendergast

Atty. William Scott Stewart, long a defender of Chicago's criminals, had asked Rep. Hoffman to bring out the fact that Dillon, self-admitted protege of Tom Pendergast, then the political boss of Kansas City, Mo., who put Truman into public office, had not been paid for his services to the Chicago gangsters.

"Not a nickel," Dillon testified when Hoffman asked how much he was paid.

The congressmen hurried thru the testimony yesterday and adjourned the hearing until a later date in Washington—possibly next week. They said they want more data on prison records and parole facts, and to question the parole board members who set the gangsters free.

Dillon's testimony of his success with the parole plea caused Rep. Hoffman to exclaim, "I think they came to the right place to get the paroles, all right."

"Unholy Speed" Disclosed

Rep. Snyder brought to light what was termed the "unholy speed" with which the paroles were granted after Dillon appeared in the Washington office of the federal parole board, where he was known as "President Truman's campaign manager."

Dillon said he talked to two parole board members on Aug. 5 or 6. Earlier testimony was that two days later the parole officer at the Leavenworth prison telephoned the parole office in Chicago asking that the "parole plan be expedited" so the convicts could be freed on Aug. 13.

It was Rep. Hoffman who brought from Dillon the admission that in 1945 he had asked the transfer of the Chicago gangsters to Leavenworth from Atlanta, and this request was quickly granted.

Truman Pal Success in Line

Rep. Snyder summed up Atty. Dillon's accomplishments:

"You asked for a pardon for a friend [the friend was Frank Boehm of St. Louis] and you got it; you asked to have these men transferred from one prison to another, and it was done; you asked for their paroles and it was done quickly; you got everything you asked, didn't you?"

Dillon admitted he had.

The speed with which Dillon got action was told by Charles W. Fisher, chief United States probation officer in Chicago, and his deputy, Joe Colosimo, a political appointee. They said they were asked by D. L. Yeagley, parole officer at the Leavenworth prison, to "expedite the paroles."

Money Charges to Be Sifted

Dillon wasn't asked about the report that "money was paid" for the transfer of the convicts from one prison to another—Chairman Hoffman said that charge would be sifted later.

Dillon said he didn't know Ricca, and Ricca said he didn't know Dillon and hadn't hired him. Ricca said, too, that he hadn't hired Bernstein, who settled his income tax troubles for him [Ricca] while he was in prison, the settlement being with the magic money that came anonymously to Bernstein.

The testimony was sprinkled with mention of Jack Guzik—boss of the gambling end of the Capone syndicate, of which Ricca is said to be the national chief, as well as Hymie Levin, Anthony [Tough Tony] Capezio, and other Chicago gangsters. All were friends of Ricca, he said. He denied that he had been Al Capone's bodyguard, but he "used to take bets from his pal Capone."

How Accardo Visited Boss

The story of how Tony Accardo, alias Joe Batters, reputed boss of local Sicilians while Ricca was in prison, made visits to the boss in prison—with Bernstein—was told. It appeared that Accardo went in under a faked name, probably as Atty. Joseph I. Bulger.

Bulger, who formerly was mayor of Melrose Park, according to Bernstein was the man to whom Bernstein appealed for information about Ricca's income; then "along came Accardo," who was known to have operated a gambling joint at Clark and Lake sts. for many years.

Quiz of Lyons Resumed

The second day's hearing was moved to a sixth floor jury room and the cramped quarters, bristling with photografers and their equipment, also radio men and equipment, caused many persons to be turned away. Daniel M. Lyons, head of the federal parole board, resumed his testimony and was asked by Rep. Hoffman if he planned any further action on the parole of the four Capone hoodlums.

Lyons said what he had heard in

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the congressional investigation had convinced him there should be further investigation. He said he would revoke the paroles if he thought such a move legally justified.

Then Hoffman called Lyons' attention to a memo concerning Ricca and Campagna in the parole board files dated May 21, 1945.

Bank Official Mentioned

Written by Frank Loveland, identified as a parole board employe, the memo said:

"Mr. Paul Dillon, an attorney from St. Louis who stated that he was former campaign manager for President Truman, was in the office today to see Mr. Bennett, but in his absence was referred to me. He stated that he had been requested by an official of the Continental bank of Chicago to see what he could do to have the above named prisoners transferred from Atlanta to Leavenworth, where they would be nearer their homes in Chicago. He stated that he had no personal interest in the matter and was not trying to bring any pressure, but that he would appreciate transfer being made if it were proper. I told him that the matter had been given consideration only recently and that under ordinary circumstances it could be accomplished, but that there are inmates at Leavenworth who are unfriendly with these two inmates and that there might be serious trouble if these two were placed in Leavenworth."

Warden Charges Use of Money

Hoffman then turned to a letter written by Warden Joseph W. Sanford of Atlanta prison to the parole board July 21, 1945.

"From information received," said Sanford, "it is quite evident that money is being paid to obtain the transfer of these men [Ricca, Campagna, and D'Andrea] to Leavenworth and I do not believe they should be transferred at this time for this reason. . . . Also, I do not believe they should, if approved for transfer, be transferred by rail under any circumstances."

[Warden Sanford was told by a Tribune reporter over long distance telephone about the testimony. He said he did not wish to comment without permission of the board of prisons in Washington. He said, however, that the prisoners were transferred to Leavenworth prison about Aug. 15, 1945, three weeks after the letter had been sent to his superiors.]

A pencilled notation on the letter read: "Talked to Warden Sanford—has no indication that money has been paid—just said that two attorneys have been very active in their cases: Mr. [William] Scott Stewart and A. Bradley Eben."

"Do you think that should be looked into?" asked Hoffman.

"It certainly would have aroused my curiosity," answered Lyons, "if I had been looking into the case at that time."

[Atty. Eben said that he took no active part in connection with the paroles for the hoodlums. He said that he was visiting two prisoners convicted of mail fraud in Cincinnati, O., whom he had represented and asked the warden for permission to talk to the Capone gangsters because he had represented them in their trial in New York. "I talked with Gloe for about five minutes, but nothing was said about transfers from the prison, or paroles," Eben said. "I have not had any contact with any of them since that time."]

Campagna's Wife Testifies

Mrs. Charlotte Campagna, wife of Louis Campagna, was called and testified she had asked those identified as asking parole for Campagna to write letters in his behalf.

The money to settle his income tax lien, she said, came from friends and amounted to $80,000 to $90,000. She talked to Atty. Bernstein about the tax payments, she said, but did not know the identity of the contributing friends. She got the phone calls, she said, but no one told her name. Later Bernstein told her the tax was paid.

Acquainted with Guzik

"What was your husband's business?" asked Hoffman.

"I don't know," she answered. "I never asked him questions."

She was asked to name her husband's friends; Hoffman read a list of names and asked if she knew them. The first was Jack Guzik.

"I knew him," she said. "I don't know whether he was a friend of my husband."

As other gangsters were named, she said she had met Levin on the street and in restaurants but not socially; she knew Ralph Pierce, but didn't know Sam [Golf Bag] Hunt. Then she was asked about Capezio, notorious Capone lieutenant.

"His wife happens to be a partner of mine in the flower shop," she replied.

Witnesses Tell of Pressure

Questioned by Representatives Hoffman and Snyder, Fisher and his deputy, Colosimo, testified that "pressure" was brought to facilitate the parole procedure.

It was disclosed that Louis J. Pelton was suggested as Gloe's parole adviser after Harry Ash of the Illinois crime prevention board had withdrawn as a possible choice. The witnesses admitted their examination of Pelton's background was superficial and added they had been asked to expedite the matter.

Q. [by Snyder]—Who asked you to expedite this matter? A. [by Colosimo]—D. L. Yeagley, the parole officer at Leavenworth penitentiary.

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Speedy Action Requested

Hoffman asked Fisher about this expediting procedure and Fisher replied: "He asked if we would expedite it and if we were willing to O. K. it by wire instead of awaiting the usual procedure. We told him that if the man [Pelton] checked O. K., we would give our approval by wire."

Fisher said Yeagley seemed anxious when he made a long distance telephone call to Chicago asking the office here to wind up the matter so Gioe could be returned to Chicago.

Yeagley could not be reached on the telephone at the Leavenworth prison.

Attorney Draws Rebuke

Colosimo admitted to Rep. Hoffman he had not talked to Pelton about Gioe's previous crime record and added, "This was an unusual case."

Hoffman replied, "That's what we're trying to find out—what makes it unusual."

"I don't know," Colosimo said. "I can't tell you the answer."

Atty. Stewart was threatened with expulsion from the session when he said he didn't like to see "a poor federal employe [Colosimo] being badgered" by his questioners. Stewart withdrew the remark.

Fisher asked why proper steps were not taken to correct deficiencies in the report on Pelton, replied, "In this particular case there was pressure being brought by the parole officer at the institution [Leavenworth penitentiary] to expedite the matter."

Crowded for Time

Fisher added that "In 99 per cent of the cases we would make a more thoro investigation than in these cases, but we had a very limited time to get the report to the institution."

"Somewhere along the line there was a determined effort for speed," Rep. Snyder commented.

Q. [By Busbey]—Does this need of speed indicate these were lesser convicts than involved in other cases? A. [By Fisher]—Far from it.

Dillon Voluntary Witness

Dillon appeared voluntarily as a witness and said he would not contest the authority of the committee. He wanted to testify, because his name had been made public, he asserted. His questioning follows:

Q. [by Hoffman]—Do you have any specialty in the practice of law? A.—No, just general practice.

Q.—Do you know John Dougherty? A.—Yes, he is sheriff of St. Louis. He has nothing to do with this at all.

Q.—Did he go to Washington in connection with this matter? A.—He has not been in Washington since he has been sheriff.

One Visit to Washington

Q.—How many times have you been there in connection with this parole matter A.—Once.

Q.—What took place? A.—With respect to what?

Q.—The parole. A.—I called on the parole board, Judge Wilson, and Judge Rogers.

Q.—No one else? A.—No.

Q.—Did you make any social visits? A.—No one of prominence.

Q.—Well, any? A.—Yes, I saw some lawyers.

Q.—Did you see Robert Hannegan? A.—I haven't seen him in two years.

Q.—Were you in Washington on May 1, 1945? A.—I can't recall the date, but I went to see Bennett [head of the bureau of prisons] to ask that these men be removed from Atlanta to Leavenworth, and they sent me to Loveland.

Helped Truman Become Senator

Q.—Did you tell him you were a former campaign manager for President Truman? A.—We discussed some politics—

Q.—No, that is not my question. A.—It is not easy to tell a conversation two years ago.

Q.—Did you tell him in substance that you were Truman's former campaign manager? A.—I did not, because that is not the fact.

Q.—Did you have anything to do with Truman's campaign when he ran for the senate. A.—I did.

Q.—You were his campaign manager? A.—No, I had charge of his campaign in the city of St. Louis.

Q.—Did you also say on May 1, 1945, that you had been requested by an official of the Continental bank of Chicago to see what could be done? A.—I certainly did not.

Q.—Nothing of that kind? A.—I don't even know the name of any bank in Chicago.

Q.—But you know there are banks here? A.—Yes.

Q.—You told Mr. Loveland you had no personal interest in the case? A.—I did.

Responds to Plea by Brady

Q.—But that you would appreciate it if the transfer were made, if it was proper? A.—Yes. Edward Brady, a member of the legislature and a close friend of mine for years asked me when I went to Washington to go into the department of prisons and see if I could get these fellows transferred. He was visiting at the Campagna home and Mrs. Campagna complained about having to make trips all the way to Atlanta. I told him I would do it.

Q.—Loveland states you were aware that a previous similar request had been made. A.—I didn't know that.

Q.—Then at least three points in the Loveland letter are erroneous? A.—Yes.

Q.—Did you visit the White House, you and your wife, were you entertained there? A.—No. I went in and called on the President.

"Friendship with President"

Q.—You were friendly with the President? A.—Yes.

Q.—Having been formerly acquainted and residents of the same city? A.—No, he lived in Kansas City; I live in St. Louis.

Q.—How did you happen to meet? A.—I represented Mr. Prendergast in some matters.—

Q.—How many of those fellows that were convicted down there were pardoned? A.—I don't know.

Q.—Go ahead. A.—Tom [Prendergast] asked me if I would take charge of the campaign in St. Louis. That is how I met Dougherty.

Q.—What campaign? A.—The campaign when Truman ran for the senate the first time, in 1932 or 1934.

Does Job for Boehm

Q.—Do you know Glen Boehm? A.—We got a sentence commuted for Boehm. He is now a consultant in Washington. The day I appeared before the board on this matter I asked him to drive me down there.

Q.—Did you ever consult the President about the parole of any of these men? A.—No.

Q.—But you consulted with Roosevelt? A.—I never met him.

Q.—You were attorney for a John Lazia, who was head of a faction in Kansas City? A.—He was in Kansas City, taking an active interest in politics, and he was indicted, and Frank Walsh and myself defended him.

Q.—Later he was shot and killed. A.—Yes.

Appeal from Mrs. Campagna

Q.—Who first contacted you with reference to these paroles? A.—There

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was only one contact. That was with reference to the paroles. Six months ago I was contacted by Mrs. Campagna. She asked me if she could come and see me. She came down and asked if I could do what I could. I told her I would not represent them as a lawyer, but that when in Washington I would drop in and see the parole board. The reason was that this man Browne [George Browne, convicted extortioner] had a union, and John Nick, a friend of mine, was international vice president in St. Louis and I represented him and Browne proved as unreliable a man as I ever dealt with. When I found his testimony convicted these men, I said I wouldn't believe they were guilty.

Q.—[by Snyder] You were in Washington about Aug. 6? A.—Somewhere around there.

Q.—And these men were paroled Aug. 11 or 12? A.—I don't know the exact date.

Fast Work on Paroles

Q.—In other words, they were paroled five or six days later? A.—I gather so.

Q.—You made a trip to Washington about the time they were transferred from Atlanta to Leavenworth? A.—Not at that time, before then.

Q.—And afterward they were transferred? A.—I have no idea when they were transferred. I don't remember the date. I suppose about the time of that memo by Loveland.

Q.—In other words, your request was effective? A.—They were transferred; whether on my request, I don't know.

Q.—At that time you went there because Mrs. Campagna had spoken to your friend Brady and he spoke to you? A.—I didn't go there for that purpose. I was in Washington on business.

Q.—Did the defendants other than Campagna know you were intervening in their behalf? A.—What they knew I don't know.

Q.—Did you ever see the other defendants or their attorneys? A.—I never saw any of the defendants or talked with them in my life.

Q.—Did you get a parole for Nick? A.—Nick was paroled.

Q.—Then you have appeared in two parole cases? A.—Yes.

Q.—[by Hoffman] And in two tries you get five men out of prison. That would bring business to your door if it got around.

Ricca Visited by Bernstein

Ricca's testimony included the following:

Q.—[by Hoffman]—Who first consulted you about your income tax or parole? A.—My attorney, Mr. Bernstein, came to Atlanta two or three times.

Q.—And to Leavenworth? A.—Yes.

Q.—Who came with him to Leavenworth? A.—Accardo.

Q.—What is his profession? A.—Well, he was a friend of mine.

Q.—Did you tell Bernstein maybe Accardo could help? A.—All I know is when we went to Leavenworth he came over with him.

Q.—Do you know Guzik? A.—Yes.

Q.—How long? A.—About 25 years.

Thinks Guzik Is Wealthy

Q.—What business is he in? A.—He is a wealthy man.

Q.—You know his business? A.—Not any business in particular.

Q.—Did he inherit his wealth? A.—I don't know.

Q.—You go around with him some? A.—In the past, yes.

Q.—Make some bets now and then? A.—Not with him.

Q.—You know Hymie Levin? A.—Yes.

Q.—How long? A.—About three or four years.

Q.—What business is he in? A.—The handbook business, or something like that.

Q.—Where does he operate? A.—I don't know.

Q.—Is he wealthy, too? A.—I understand so.

Q.—Does Guzik operate a handbook too? A.—I don't know.

Recalls Fellow Defendant

Q.—You know Ralph Pierce? A.—He was one of the defendants [in the extortion trial].

Q.—How long have you known him? A.—About five or six years.

Q.—What business is he in? A.—I don't know.

Q.—Where did you meet him? A.—It was a long time ago.

Q.—You know Sam Hunt? A.—I know him five or six years.

Q.—What is his business? A.—I think Sam owns some horses.

Q.—You know Tough Tony Capezio? A.—About 20 years.

Q.—What is his business? A.—I don't know much about it.

Sticking to the Farm

Q.—Did you go out socially with him? A.—Not very much. Offhand, I know him, but that is all.

Q.—Have you seen any of these people since you got out? A.—No, since I got out I been at the doctor's and on the farm.

Q.—Where is your farm? A.—In Kendall county.

Q.—You went under the alias of Ricca? A.—Yes.

Q.—When did you use that name? A.—Off and on.

Q.—How long? A.—Quite a few years, 10 or 15.

Q.—Why? A.—Well, it makes it easier to pronounce. It's a short name.

Q.—Is that the only reason? A.—Yes.

Q.—What is your right name? A.—De Lucia.

"Just Friends" of Gangsters

Q.—You knew Louis Campagna? A.—About the same time [25 years].

Q.—You remember being associated with him in getting into a labor union? A.—Bioff [Willie Bioff, extortioner] said so.

Q.—I asked do you remember. A.—No union business at all.

Q.—What was your association

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Paul Ricca, whose federal parole is being investigated, as he appeared at congressional committee hearing yesterday.

Charles W. Fisher, chief United States probation officer in the Chicago district, who told of pressure exerted on him for speed in facilitating the parole of Charles Gioe.

Mrs. Louis Campagna, wife of one of parolees, who told committee she did not know the source of cash gifts to her husband's attorney for payment of income tax lien. [TRIBUNE Photo]

with Nitti and Campagna? A.—We were just friends.

Q.—Did you have a home in Long Beach, Ind.—a $75,000 home? A.—Yes.

Q.—Where did you get the money? A.—Gambling.

Q.—Did you pay income tax on that? A.—Yes, I paid the tax.

Host to Gamblers

Q.—You entertained these other gentlemen there? A.—Some of them; you know how it is in the summer time.

Q.—Would they come down to the house? A.—Well, you know how it is.

Q.—How many of them were engaged in gambling? A.—Quite a few.

Q.—Who? A.—Well, I don't know. I don't recall.

Q.—You were a bookmaker? A.—Sometimes I managed a book.

Q.—So the only thing you had over the years was gambling? A.—O, no, I had part of a theater, I had some stock.

Q.—You made your first stake in gambling? A.—Yes.

Average Income $50,000-$100,000

Q. But later you invested in what is sometimes regarded as more legitimate business, business where you didn't have to pay anybody to operate? A. I never paid anybody.

Q. How do you figure to operate a handbook if you don't pay off? A. I didn't have a place, I just walked around.

Q. You keep books? A. Oh, yes, I keep those kind of books.

Q. How much other property did you have when your home burned? A. I had some bonds, maybe $5,000.

Q. What was your income at that time? A. My average was $50,000 or $100,000 a year.

Q. For how many years? A. Four or five.

Q. During all that time you were never arrested for gambling? A. No.

Q. You just let the suckers gamble? A. Well, the suckers gamble their way and I gamble my way.

Denies Biddle's Charge

Q. [by Busbey] Now, former Atty. Gen. Biddle referred to you as treasurer of the syndicate. Were you treasurer of the syndicate? A. No.

Q. Then that information that he gave to a house subcommittee on appropriations was erroneous? A. Yes.

Q.—Did you have an attorney in St. Louis by the name of Paul Dillon appear at the bureau of prisons in 1945 in your behalf? A.—I don't know anything about it.

Q.—When you were transferred from Atlanta to Leavenworth, did you know about it beforehand? A.—No, I was praying for that.

Q.—Your prayers were answered, then? A.—Yes.

Disclaims Syndicate Job

Q.—[by Church] Where did you keep the syndicate money? A.—I don't know anything about that. I don't know what you mean by syndicate, and I don't know what you mean by treasurer.

Q.—You heard you had been called treasurer? A.—They call me lots of things.

Q.—Did you pray for a parole too? A.—You bet your life, and I worked for it. When I went in they told me to keep my nose clean and it would improve my chance for parole.

Q.—On your parole applicatio, weren't you required to indicate you had made restitution? A.—I didn't answer that question.

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2 GANGSTER AIDS STEP INTO CASE FROM POLITICS

Paul Dillon of St. Louis and Eugene Bernstein of Chicago, two of the lawyers most active in the cases of four Capone gangsters paroled from federal prison while serving extortion terms, stepped into the case from a background of Democratic politics.

Bernstein, a former Democratic precinct captain in the 33d precinct of the 24th ward, home bailiwick of Jacob M. Arvey, Democratic county chairman, was indicted with four others on July 26, 1939, for conspiracy to violate the election laws in his precinct by tampering with 3 ballots in the April, 1938, primary.

Five Defendants Freed Twice

That October, when the case came before Judge William Lindsay in Criminal court, attorneys for Bernstein and the other defendants contended that the grand jury which voted the indictment was illegal, since it had no women members. The court upheld this view and the indictment was dismissed.

All five defendants immediately were reindicted. But when the case came up again in April, 1940, their lawyers argued that it was more than 18 months since the alleged crime was committed and that prosecution was barred by the statute of limitations. Again the court agreed and all five defendants went free.

Dillon Active in St. Louis

Dillon has been active in Democratic politics in St. Louis, and was city campaign manager there for President Truman when Truman, then a county judge, first ran for the senate.

At present Dillon is official attorney for John Dougherty, St. Louis sheriff, recently sentenced on a charge of fleeing the scene of an accident. Among Dillon's other clients have been John Lazia, former St. Louis Democratic leader and gambler, who worked hand in hand with the late Tom Prendergast and once with machine guns who stepped out of some bushes near the entrance.

Dillon testified that he interested himself in behalf of the four Capone hoodlums at the request of the late Edward M. [Putty Nose] Brady, former Missouri legislator and saloon owner, who had a long police record.

Brady was a political ally of State Sen. Edward J. Hogan, former gang leader known as Jelly Roll.

Attorney for Extortionist

Brady once was arrested when a loaded revolver was found in the pocket of an automobile in which he was riding with James [Red] Callahan, former convict and member of John P. [Big] Nick's movie operators' union. Dillon was attorney for Nick, a vice president of the international union of which George E. Browne and Willie Bioff had seized control, when Nick and Brady were indicted for taking $10,000 from motion picture theater owners, supposedly as a bribe for inducing theater employes to drop wage demands. Both were dismissed by a Circuit court judge but when Nick later was sent to federal prison for extortion, Dillon got him a parole.

Dillon is 70 and a widower.

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modification of his previous attitude. [This in reference to an earlier letter.] He said that D'Andrea had a minor role.

SNYDER—Is it the usual policy of the parole board to grant a parole with adverse recommendations from the judge and prosecuting attorney?

LYONS—They do not allow judges and prosecutors to control their acts. They do not consider themselves bound.

Refuses to Produce Records

Asked for the records of the case, Lyons demurred on the ground that there might be something in the file that would interfere with the reformation of the parolee [D'Andrea].

Lyons also said he had been told that J. Edgar Hoover, [FBI chief] planned to continue his investigation of the case and that public disclosure of all the records might hamper this investigation. He said the files were maintained jointly with the bureau of prisons.

Replying to Hoffman, Lyons said that D'Andrea's was the first in the series of four paroles. He said that the record showed that D'Andrea had been convicted in the movie extortion case, that his record showed a previous conviction and sentence of six months for contempt of a Chicago federal court in Oct. 1931, and that he had been arrested on general principles by Chicago police in Nov. 1932.

Classes Parole as "Regular"

Lyons then read from a memo prepared by a United States attorney that D'Andrea was a subordinate in a Chicago gang known as the "syndicate" which had succeeded to the power of Al Capone. The memo said D'Andrea had received $50,000 for his share of the extortion money.

As far as he is concerned, Lyons said in answer to questions, he planned to do nothing about the paroles until there is evidence of parole violation. He said the paroles had been granted when he became chairman and were regular and legal.

The witness admitted that the parole board makes its own rules, but said he saw no legal reason to set the paroles aside unless there was evidence of fraud.

Unable to Study Statistics

"Notwithstanding the record of five years criminal activity as a member of this criminal gang, you still think it is not your duty to make any change in this situation unless there is a parole violation?" Hoffman asked.

Lyons agreed that was his position, unless evidence of fraud in the parole was brought out.

Hoffman pointed out that D'Andrea had carried a gun into Judge Wilkerson's Chicago federal court at the trial of Al Capone.

"Nothing to Show Favoritism"

Rep. Snyder inquired about the parole of the four Capone gangsters as compared with the general rule for parole followed by the parole board. Lyons said he could not answer the question, that he had not had time to study statistics because he had given all his time as parole board head to the present case.

"Wouldn't that be the first thing you would look into—whether this was treated like any other case?" Snyder asked.

"There was nothing to show that there was favoritism in this case," Lyons said.

"How can you say there was no favoritism in this case when you say you do not know what records in the other cases show?" Hoffman asked.

"I still say there was no evidence of favoritism," Lyons answered. "The board acted regularly."

Hoffman asked if the sponsors and

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TWO PAROLEES QUESTIONED IN FEDERAL PROBE

$468,877 Lien Cut to $78,000

BY JAMES DOHERTY

(Pictures on page 16 and back page)

The story of $78,000 contributed by persons allegedly unknown both to Louis [Little New York] Campagna and his lawyer, Eugene Bernstein, to settle in full the federal government's $468,877 income tax claim against Campagna, "stole the show" yesterday in a congressional investigation into the recent parole of four Capone hoodlums.

Despite efforts of Rep. Clare Hoffman [R., Mich.] and the other members of the house appropriations subcommittee to pin either Campagna or Bernstein down as to the source of the money, Campagna insisted that he did not know who had paid it. "I have been intending to ask," he remarked blandly. Bernstein said that "eight or nine persons," whom he did not know, kept popping into his office, laying bundles of cash on his desk, remarking, "This is for Louie," and popping out again without leaving their names.

Receipts Without Names

Asked by Hoffman whether he didn't give receipts for the money, Bernstein said he did, but added that the receipts had no names on them, "since these were the sort of people you don't ask questions."

This verbal battle among Campagna, Bernstein, and the congressmen, who also included Fred E. Busbey [R., Ill.], Porter Hardy [D., Va.], and Melvin Snyder [R., W. Va.], committee members, and Ralph Church [R., Ill.] and William L. Dawson [D., Ill.] sitting with the group, was the day's highlight of the inquiry's opening session.

However, the question under consideration, how Campagna, Paul [The Waiter] Ricca, Charles [Cherry Nose] Gioe, and Philip D'Andrea won federal paroles after serving only a third of their terms for extortion from the motion picture industry remained as much of a mystery when the hearing adjourned for the day as when it opened.

Board Files Kept Secret

The day's exhibition was followed by a strenuous and successful effort on the part of Parole Board Chairman Daniel Lyons to keep the contents of the parole board's files from becoming public. In an executive session of the committee last night Lyons refused to turn the records over to the congressmen.

The parole chief was acting as the special agent of Atty. Gen. Tom C. Clark, who gave the order to suppress all data on the parole scandal two weeks ago. The congressmen accused Lyons of "covering up" but they eventually acceded to his request that he be allowed to keep the papers secret "for the present."

Lyons' attitude at the day's session had been termed defiant, and one congressman told him he ought to be impeached.

Lyons Under Long Quiz

Lengthy interrogation of Lyons, appointed Sept. 16 as head of the federal parole board, a month after the four hoodlums were released, produced little information other than that in Lyons' opinion the board probably was influenced by the fact William Bioff and George Brown, both of whom turned state's evidence in the extortion trial, had been released on parole a short time previously.

Lyons, reading numerous excerpts from the many records he brought with him, included one from Judge John Bright, trial judge in the extortion case, which said in part:

"It is difficult for me to make any recommendation. When I sentenced him [D'Andrea] and his co-conspirators, I felt that their full sentences should be completed because of their connection with labor unions and efforts on the part of these defendants to muscle in. D'Andrea was merely a beneficiary of the conspiracy and not an active participant. I cannot very well write any more and I trust you will pardon me for writing at such length."

Lyons Pressed for Answer

Then followed this exchange:

SNYDER—You don't consider that an approval of parole?

LYONS—Did I say I did?

SNYDER—I am asking you.

LYONS—No, I do not consider it a recommendation. I consider it a

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Parolees

(Story starts on page 1)

Candid portraits of the four Chicago hoodlums attending congressional inquiry into their paroles from federal prison.

PHILIP D'ANDREA

PAUL RICCA

LOUIS CAMPAGNA

CHARLES GIOE

backers of the parolee would affect the parole.

"That wouldn't make any difference," Lyons replied.

Campagna's Memory Limps

D'Andrea, former bodyguard for Alfonso [Scarface Al] Capone, was summoned briefly to testify regarding certain items of his police record, after which Campagna was summoned to the stand.

Campagna, black haired but with a growing bald spot, has a pleasant, almost small boy smile that disagrees oddly with his broad shoulders. He was possessed of a convenient lack of memory when questioned on such topics as the number and occasions of his arrest or such details as who paid his delinquent income tax.

Here is part of his examination:

Q.—That [the delinquency] was for the years 1937 to 1941? A.—That's what they claim.

Q.—I am asking you. A.—No.

Q.—You finally settled? A.—I did.

Payment "Surprises" Campagna

Q.—How much did you pay? A.—I don't know.

Q.—You don't recall? A.—No, I don't.

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Q.—You paid it? A.—I did not.
Q.—Who paid it? A.—I don't know.
Q.—Do you know how much they paid? A.—No.
Q.—Who told you it was paid? A.—I got a notice of it.
Q.—You have some rich relatives? A.—No.
Q.—Did your wife have the money? A.—No.
Q.—Whom did you tell to pay the money? A.—I didn't tell anybody.
Q.—Whom did you hear from that it was paid? A.—My attorney.
Q.—Were you surprised? A.—Well, yes.
Q.—You hadn't told your attorney to pay it? A.—No.

Believes in Santa Claus

Q.—And no one else? A.—No.
Q.—Who was connected with you in this movie extortion business that would be interested in seeing you pay off this llen? No answer.
Q. [By Hoffman]—Do you believe in Santa Claus? A.—Yes.

After further and fruitless questioning along the same line, Campagna was asked:

"Aren't you curious to know who paid this for you?"

He said he was indeed, but hadn't been back in town long enough to make inquiries.

Attorney Reveals Donations

Then Bernstein, who is 24th ward Democratic leader and an amateur magician, was questioned as follows:

Q.—Who furnished the money? A.—The money was brought to my office by eight or nine different persons. I don't know who they were. It is not uncommon for persons bringing money to my office to be paid to the collector of internal revenue.
Q.—Didn't they tell you who they were? A.—No. Sometimes they would bring a letter saying to pay these taxes in cash.
Q.—How do you get in touch with these fellows? A.—If you had tried as many cases as I have, you would understand.

Simple Financial System

Q.—Well, where did this money come from—this is just between us now. A.—All I know is that the amount of money was indicated on the letter. It was brought to my office. Some of them said: "Pay this for Louis," or "Pay this for Paul."

D'Andrea was called again. He testified that he first asked his wife, now dead, and his brother, Anthony, concerning a parole; then a relative, Atty. Samuel Shapiro, was consulted. Thru Shapiro, he said, Atty. Emanuel Stern of Fargo, N. D., was hired. Only once during his 10 minutes or so on the stand did D'Andrea raise his colorless voice above a monotone, and even then his face remained, expressionless.

This was when he was asked concerning the amount of money he had received from extortion.

D'Andrea Denies Extortion

"I never received a penny from extortion," he asserted, adding that because of some legal mixup, which he indicated he deplored, he was unable to take the stand in his own defense in the New York extortion trial.

Atty. Stern was then sworn, said he had been acquainted with Atty. Shapiro in a business way, and was first consulted on the parole in November or December, 1945. He said he had had experience in two other federal parole cases, and was successful in both. The following questions and answers then were recorded:

Q.—Whom did you see about this parole? A.—After I consulted with Anthony [D'Andrea's brother] I told him I was coming to Chicago on business shortly and would see him in the office of Sam Shapiro. [He did so, he said, and entered into an agreement with Shapiro.]

Attorney Sees "Right People"

Q.—What was the agreement? A.—I was to receive $3,500 as a retainer and expenses, and $3,500 more if the parole were granted. That has all been paid.
Q.—Did you furnish an application? A.—The application was made by the prisoner. I did a lot of research so that it could be presented intelligently.
Q.—That consisted in seeing the right people? A.—Yes. You can't do any good seeing the wrong ones.
Q. [By Hoffman]—And some were lighter than others, if there is such a word? A.—That is a matter of opinion.

Disclaims Call on Dillon

Stern said that he saw Judge Wright and several members of the parole board, but did not talk with any one else in Washington. Asked whether he "ever saw Dillon" [Paul Dillon, friend of President Truman and former campaign manager for him when Truman ran for the senate], Stern said he did not know Dillon and did not see him.

None of those questioned yesterday claimed any relationship with Dillon, St. Louis attorney whose influence was used with the parole board in behalf of the four hoodlums, a fact which was not known until after THE TRIBUNE carried a story to the effect that Dillon refused to be interviewed on the paroles.

Lyons admitted that Dillon's name was "added" to the list of those who appeared before the board only after he, Lyons, had learned that while Dillon had appeared, his name was omitted from the list.

Impeachment Is Suggested

In the morning hearing, after Lyons was questioned at some length by Rep. Church, the latter exclaimed:

"You are one of those who should be impeached!"

Among other morning witnesses was Harry Ash, head of state crime prevention, who had been mentioned as parole supervisor for Gloe. Before he was questioned, attorneys for the four hoodlums challenged the right of the congressmen to investigate the paroles, but were promptly overruled by Hoffman, who then asked Ash to explain his connection with Gloe.

"In May, 1947," Ash said, "I received a letter from a parole authority at Leavenworth, Kas. It said that Charles Gloe had requested that I act as his parole adviser. I was asked if I would act, and to fill out a form."

Gloe Long Known to Ash

Ash said he had known Gloe since 1915, and was also asked to serve as his parole adviser by "Korshak. I understood he had served as a lawyer for Gloe in civil matters." [This apparently refers to Sidney R. Korshak.]

Ash said that was the last he heard of the matter until his telephone rang Aug. 12 and he was told that Gloe was to be released and he, the parole adviser.

"I said that if I was the parole adviser, Gloe faced seven long, hard years and would have to be a law abiding citizen," Ash concluded.

The hearing, held in the federal courthouse, drew a large crowd of spectators yesterday, most of whom abandoned their chairs during the late afternoon and crowded close around the long table for a better view, disregarding the efforts of a deputy marshal to force them back. The hearing was adjourned at 5 p.m. Hoffman said he thought the committee would conclude its work here today.

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[TRIBUNE Photo]

Opening of congressional hearing in federal building yesterday on gangsters. Seated with parolees are their attorneys. Hoffman heads committee, and Hardy and Snyder are members. paroles granted to Campagna, D'Andrea, Ricca, and Gioe, Chicago. (Story on page 1)

QUIZ IN PAROLE OF 4 HOODLUMS STARTS TODAY

Rep. Hoffman Here for Hearing

BY JAMES DOHERTY

Rep. Clare Hoffman [R., Mich.], chairman of a house subcommittee on appropriations, arrived in Chicago last night to preside over a congressional committee investigation, beginning today, of the paroles recently given to four Capone gangsters who had been convicted of a 1 million dollar extortion.

Daniel M. Lyons, chairman of the United States parole board, will arrive here this morning, bringing with him all the records of the paroles, in response to a subpena duces tecum issued by Hoffman.

The four freed convicts, Paul [The Waiter] Ricca, Louis [Little New York] Campagna, Philip D'Andrea, and Charles [Polly Nose] Gioe, may be witnesses before the committee today.

Key Question Prepared

When they testify Rep. Fred E. Busbey of Chicago said, they will be asked this key question:

"Who arranged to get your parole and how much did you agree to pay for it?"

Rep. Chauncey Reed of Wheaton, Ill., and Rep. Ralph Church of Chicago, both Republicans, were invited by Chairman Hoffman to sit with his committee.

Before the hearing progresses far it is expected that J. Edgar Hoover, director of the federal bureau of investigation, will be a witness, Rep. Busbey disclosed. Hoover has been asked to seek evidence of bribery or corruption in connection with the paroles, Busbey added.

History of Case to Be Sought

Also, it was explained, Hoover will be asked to give a history of the case in which the four men whose paroles are under scrutiny and of two other Chicagoans formerly affiliated with the Capone gang, William Bioff and George Browne, were convicted of extorting more than $1,500,000 from motion picture company officials under threats of strikes and violence.

Ricca, Campagna, Gioe, and D'Andrea were freed last Aug. 14 by order of the United States parole board. At that time they had served one-third of the 10 year sentences imposed on them in 1943 in New York, one-third of the time being the first moment when they were eligible for freedom.

Chairman Hoffman and Rep. Busbey said they expected their colleagues, Porter Hardy [D., Va.] and Melvin Snyder [R., W. Va.] to arrive today.

11 Invited to Appear

Hoffman issued an invitation to 11 persons, listed by the government as "persons who made representations to the parole board" in behalf of the four convicts, to appear voluntarily before the congressional committee and thereby avoid being subpenaed.

The first to volunteer to testify without a subpena was Harry A. Ash, superintendent of crime prevention for the state of Illinois, who was listed as a "parole adviser" for Gioe.

Rep. Hoffman said he interviewed two others on the list, L. E. Lucas

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and Guy F. Heim, both of Berrien Springs, Mich., which is in Hoffman's congressional district. He said Lucas is editor of a small paper there and Heim was formerly a druggist and was once mayor of the town.

Explain Their Action

"Both gave me affidavits telling why they wrote to the parole board in behalf of Campagna, who owns a farm near that town," he said. "They appeared to have been acting only as neighbors—there didn't seem to be any sinister motive."

Hoffman and Busbey discussed the possibility of extending a similar courtesy to the four priests listed by the government as among those who wrote to the parole board in behalf of one of the convicts. Hoffman said apparently they acted with laudable motives—"Christ forgave the thief at the 11th hour and they have been trained to do the same," he added.

John Svitak, 2931 Maple av., Berwyn, who wrote a letter recommending the parole of Campagna, said last night he did so because the Campagnas were his neighbors for six years and that members of the family asked him to intercede for Campagna. Svitak is an automobile dealer.

Hoffman said the committee may go next to St. Louis, home city of Robert Hannegan, postmaster general and chairman of the Democratic national committee, and also of Paul Dillon, friend of President Truman. Dillon was attorney for the four Chicagoans in getting their freedom.

Hoffman said the committee intends to question Dillon.

Wants to Learn Dillon's Role

Busbey said it is most important at the beginning to determine whether Dillon's relations with Hannegan and President Truman were used to benefit the four Chicago public enemies.

"The fact that the government placed a lien for nearly $500,000 against the convict, Campagna, and a lien of nearly $200,000 against the convict, Ricca, for delinquent income taxes, makes it important that we learn early how much was paid to Dillon and how much he was promised," said Busbey.

Just how much FBI Director Hoover knows about the Capone gang is a matter of conjecture, Busbey said in relation to the plan of calling Hoover as a witness. The FBI was asked two weeks ago to start a new inquiry, but a congressional record showed that Hoover had been in touch with the case involving the four Chicago gangsters as far back as 1939.

Busbey's office in Washington sent him a transcript of testimony before a house subcommittee on appropriations on Jan. 22, 1943, at which Francis Biddle, then attorney general, testified. The committee was holding a hearing into all phases of federal paroles. Biddle said that Campagna was in fact head of the Capone gang and that Ricca was its treasurer. He also supplied the committee with the records of the other gangsters sentenced in the movie extortion case. From this it follows, Busbey pointed out, that the justice department, at the time the paroles were granted, could not have been in ignorance of the applicants' long record of criminal activities.

Biddle told how Browne, then president of the International Alliance of Theatrical and Stage Employes, and Bioff, who had "muscled into control of the union," testified against Ricca, Campagna, D'Andrea, and Gioe. As a result of their helping the government, Browne and Bioff served shorter prison sentences.

Busbey commented, "I am sure Mr. Hoover can bring us up to date on the activities of the men who shook the motion picture companies down for more than $1,500,000 and then got out of prison after short periods of imprisonment."

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JOLIET GAMBLER IS SPONSOR FOR HOODLUM RICCA

Probers to Ask: Who Paid for Four Releases?

BY JAMES DOHERTY

One of the men who went to the front for one of four Chicago hoodlums paroled by federal officials was Francis J. Curry, 516 Western av., Joliet, gambler, one time slot machine boss, and race news supplier.

Curry was said to have entered his latest business as successor to James M. Ragen, 65, wealthy czar of the racing news service who was assassinated by gunmen in the summer of 1946. Curry now controls this business in the territory from Chicago to Louisville, his friends reported.

His plea to federal parole officials was on behalf of Paul Ricca, known to his gang associates as The Waiter. While Ricca was in prison for his part in a million dollar shakedown of the motion picture industry, Curry operated Ricca's large farm in Kendall county.

D'Andrea's Brother a Sponsor

The other paroled hoodlums, all of whom were identified with the old Capone bootleg, vice, gambling, and crime syndicate, are Louis Campagna, Phil D'Andrea, and Charles Gioe.

One of D'Andrea's sponsors was his brother, Anthony, boss of the AFL Hod Carriers' and Laborers union and associate of the late Michael Carrozzo, czar of Chicago street and construction workers.

Carrozzo and Anthony D'Andrea were co-defendants in 1940 on federal charges of conspiracy to violate the Sherman anti-trust act by restraining the use of ready mixed concrete in the Chicago area. The charges later were dismissed.

What congress wants to know is how much it cost the four Capone gangsters to be paroled, Rep. Fred H. Busbey [R., Ill.] announced yesterday. He said an effort will be made to get the answer tomorrow when a congressional committee headed by Rep. Clare Hoffman [R., Mich.], launches a hearing here in room 628, United States courthouse.

Truman Friend Involved

"How much," said Busbey, "is now the important question after we have determined that President Truman's pal, Paul Dillon of St. Louis, represented the gangsters in negotiating their freedom from 10 year sentences imposed when they were convicted of a million dollar extortion."

The name of Dillon, a lawyer who managed Truman's two successful senatorial campaigns in St. Louis and who is now known as a White House favorite, was given to Rep. Busbey Monday by Atty. Gen. Tom Clark's office in Washington, which for a month had enforced a blackout on information as to who, why and what brought about the freedom of the men known here as public enemies.

"I am by no means sure that Atty. Gen. Clark's office finally has supplied congerss with the names of all who helped Ricca, Campagna, Gioe, and D'Andrea get out of prison," Busbey asserted.

Asks About Missing Names

Busbey was given the same list supplied newspapers, and which contained 36 names of persons who "made representations with reference to parole." At the end of the list was the notation that Paul Dillon, Esq., of St. Louis—who also is close to Postmaster Gen. Robert Hannegan, also a St. Louisan and chairman of the Democratic national committee—and Mr. Glenn P. Boe acted "for all applicants."

"We have established political power thru the release of the name of Dillon," said Busbey. "Now, let's see what the cash outlay was."

Busbey said it is Chairman Hoffman's intention to call before the committee all of the 36 "sponsors" of the "outrageous paroles."

MORE SPONSORS SPEAK

Comments of other persons who sponsored paroles for the four Capone gang members convicted of extortion follow:

ALBERT B. TURNER, clothing merchant, 1200 S. Halsted st.: Charles Gioe was always all right with me. He and his brother Tony were good customers at my store. Naturally, when his wife called and asked me to write the government that I believed he could be rehabilitated for society, I wrote the letter. I still think he can.

JOSEPH B. FERRERA, general manager, Krispy-Kleen Vegetables, Inc., 139-141 S. Water market—A friend came to me and asked whether I would hire Phil D'Andrea and guarantee him a job if the government paroled him. I said I would make him an "on-track" inspector of the merchandise we handle; keep him if he would work and could handle the job and fire him if he didn't suit. I wrote the same things on the government's form. I have no personal interest in D'Andrea. I knew nothing of his record. If it now appears there was something rotten in connection with the parole I will rescind my offer.

MARTIN HAAS, president, Burton Auto Spring corporation, 2443 W. 46th st.: I got acquainted with Louis Campagna and his family in Berwyn. His children went to school with my children. One of the Campagna boys was in the service and then worked for me. He asked me if I'd help in getting a parole. I found them to be a nice family.

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SPONSORS TELL WHY THEY URGED CAPONE PAROLES

Attorney Who Appeared Still Refuses to Talk

Herewith are presented the police records of Louis Campagna, Phil D'Andrea, Charles Gioe, and Paul Ricca, members of the old Capone gang, who were convicted and imprisoned in a $1,000,000 motion picture industry shakedown, and whose recent federal parole has resulted in widespread repercussions. Also listed are the names announced by the justice department in Washington, D. C., as those of persons recommending the paroles, together with the comments made by those who could be reached.

CAMPAGNA'S RECORD

Louis Campagna, known in hoodlum circles as Little New York, was one of the original members of the Capone gang and a former bodyguard for the chief gangster. He has been arrested a score of times for gang activities.

He was arrested and sentenced to Pontiac, Ill., reformatory in March, 1919, for bank robbery and was paroled April 8, 1924. Arrested for parole violation Oct. 10, 1924, he was returned to the reformatory, reparoled Nov. 11, 1924, and discharged from parole Nov. 1, 1925.

He was questioned in the slayings of State Representatives John M. Bolton and Albert J. Prignano and that of Jack Zuta, head of a north side beer running and vice gang and Capone's rival for leadership. He was freed of a charge of vagrancy and conspiracy in April, 1928, and again on a vagrancy charge in December, 1932.

Indicted in Union Case

He was indicted in October, 1940, along with Frank [The Enforcer] Nitti, who succeeded Capone in the leadership of the gang, and five others for conspiracy to force gang rule on the bartenders' union. The charges were nolle prossed in June, 1941.

Campagna was indicted in March, 1943, and convicted in December of that year, on a charge of conspiring with Philip D'Andrea, Paul Ricca, and Charles Gioe, who were freed on parole with him; Frank Maritote, alias Frank Diamond, and John Roselli, all of Chicago, and Louis Kaufman of Newark, N. J., member of the stage employes union, to extort more than a million dollars from the motion picture industry in Hollywood. Many of the criminal transactions took place in Chicago.

SPONSORS' COMMENTS

PAUL DILLON, St. Louis lawyer, a White House favorite, and former campaign manager for President Truman when Truman ran for U. S. senator, who recommended parole for Campagna's three paroled co-defendants as well as Campagna: have no comment.

On Sept. 12 Dillon was seen in person by a Tribune reporter, and asked if he was attorney for the quartet. At that time he also refused to comment except to say: "It's nobody's business whom I represent, and particularly no business of any one in Chicago. I won't talk about my law business."

Newspaper files, however, showed Dillon's pre-trial interest in the case. Dillon was attorney for John P. Nick, vice president of the Motion Picture Operators International union, and also for Clyde Weston, St. Louis local business agent of the union, when they were accused of extorting from movie theater owners in 1939. Dillon was required to produce his bank accounts in St. Louis jury investigation which led to the indictment of Weston and Nick. Robert E. Hannegan, postmaster general, also was called as a witness.

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L. E. LUCAS, editor, Journal, Berrien Springs, Mich.: I have known Campagna for quite a few years. I didn't know too much about what he was in for. But I've known him for a long time as a good citizen. He has a farm up here, always seemed to be a decent sort of chap, so I volunteered to write a letter to the parole board.

THE REV. M. A. CANNING, pastor of St. Ferdinand's church, 3116 N. Marmora av.: I have known Campagna and his family, particularly his family, for 15 years. There are three fine young daughters just growing to womanhood; one of them is a student at Rosary college; his wife is a fine woman. His boy, Joe, was in the air corps and was quite a hero just about the time his father was going to prison. The family came to me and begged me to go to the front for Campagna; they promised me with tears in their eyes that he would be a good citizen if he could be let out. I just couldn't find it in my heart to refuse them. It is part of our great creed to have charity, hope for the sinner. I have followed my conscience in this matter and I hope time will show that my judgment was right.

DOMINICK J. SIBILANO, president of the Sibilano Furniture company, 5541 Belmont av.: I have known Campagna for 16 years. I know him and his family, and know that he is a fine gentleman. I volunteered my services and wrote a letter to the parole board.

MICHAEL J. ROMANO, Morand Brothers Beverage company, 818 S. May st.: I have known the family—Romano, his wife, and children—for many years. I know that he is a nice, home fellow and that his wife is a very fine person. So I wrote a letter to the parole board.

DR. WALTER LAWRENCE, 743 Thatcher av., River Forest, parole adviser: No comment.

Others recommending a parole for Campagna were announced as:

MARTIN HAAS, president, Burton Auto Spring corporation, 2433-41 46th st., Chicago.

S. MANINI, president and treasurer, Rock Road Construction company, 5915 Rogers av., Chicago.

JOHN SVITAK, 2931 Maple av., Berwyn.

ONY F. HEIN, Berrien Springs, Mich.

D'ANDREA'S RECORD

Philip D'Andrea was sentenced to six months for contempt of court when he was found armed in the federal court during the trial of Al Capone on income tax evasion charges, in October, 1931. He said that he was acting as Capone's bodyguard.

He was arrested on general principles in November, 1932, with another Capone gangster. The record does not show a conviction.

He was convicted in New York with the other Capone gangsters in the movie extortion case.

SPONSORS' COMMENTS

SAMUEL H. SHAPIRO, attorney, 948 First National bank building: I don't have any information on the subject.

EMANUEL M. STERN, Fargo, N. D., attorney who represented D'Andrea before the parole board: I don't care to state how I was retained to act as D'Andrea's lawyer. Whatever D'Andrea's past was, he is now in no physical condition to do very much. If any one was ever entitled to parole he was.

S. M. HOMAN, operator of the Lincolnshire estates, a real estate office at 7205 Exchange av.: I wrote to the parole board at the request of Samuel H. Shapiro. I had sold D'Andrea a lot in Lincolnshire [Crete] in 1939, and talked to him on several occasions since. I wrote to the parole board that our business dealings were pleasant and satisfactory.

FRANK E. SVOBODA, 2410 S. Austin av., Cicero, salesman for motor truck division of the International Harvester Co.: I had several business dealings with D'Andrea; selling him trucks, and stated in a letter to the parole board. I was asked to do so by a former business asssociate of

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D'Andrea, but do not wish to give his name.

JAMES H. HETARTY, salesman for the Mack International Motor Truck Co., 33rd st. and Wentworth av.: I've known D'Andrea in a business way for at least 15 years. I sold trucks to him when he was in the trucking business at 29th st. and Michigan av. I was asked to write a letter by a former manager of D'Andrea's trucking firm. I wrote that D'Andrea, in his business affairs, was trustworthy and reliable, and in behalf of the company recommended him as to his character and integrity.

JOHN TIBERI, head of the Allied Construction and Supply Co., 3727 S. Maplewood av., and parole adviser for D'Andrea: I knew D'Andrea for many years and am well acquainted with other members of the family, who asked me to act as parole adviser. I have had business and social relations with D'Andrea for years and I believe that he is a high class gentleman.

MSGR. MICHAEL ABRAHAM, Sacred Heart church, Michigan City, Ind.: I knew D'Andrea vaguely. In fact, I only met him once, but I heard that he was very sick and wrote the letter as an act of charity."

THE REV. ANGELO DELLA VECCHIA, formerly of St. Mary's of Mount Carmel church, 6722 S. Hermitage av., now transferred to parish at Niles, Ohio: I have not very much to say about that. I wish you woud not put my name in it.

JOHN R. ROBINSON, public relations adviser, 228 N. La Salle st.: I never wrote a letter or interceded personally in behalf of D'Andrea. I knew him 20 years ago when I was a newspaper reporter, but have not seen him in the last 10 years.

DR. CHARLES S. BAER, physician, 11 E. 34th st., Steger: I wrote a letter giving my opinion of D'Andrea's character, but do not wish to say who asked me to intercede. I have known the D'Andrea family for some time—ever since it has been living in Crete, near-by. I have been the family physician for the last five years. I believe that D'Andrea is a fine cultured gentleman.

THE REV. JOHN J. RENGEL, pastor of Immaculate Conception church, 3111 S. Aberdeen st.; he was transferred there last August after having been pastor of St. Liborius church, Steger: I signed a recommendation for D'Andrea's parole as a Good Samaritan. The D'Andreas had been parishioners of my church in Steger. I met D'Andrea only once or twice. My interest was solely in behalf of D'Andrea's young son, now about 13. After D'Andrea had been in prison for some time, his wife died, and the boy was left alone. The boy lived a while with an aunt and an uncle, then he was sent to a boarding school. He was absolutely lost and I thought he needed his father.

Others making representations for D'Andrea were announced as:

JOSEPH B. FERRERA, general manager, Krispy-Kleen Vegetables, Inc., 139-141 South Water mkt., Chicago.

SANTO GAROFALO, the Garofalo company, 103-105 South Water mkt., Chicago.

ANTHONY D'ANDREA, the parolee's brother, no address given.

RICCA'S RECORD

Paul Ricca, known to his gang associates as The Waiter, was arrested on general principles Jan. 23, 1927, and freed in court.

He was arrested as a general suspect in New York, with other gang members, in June, 1930, and freed.

He was arrested here in March, 1932, with four other gangsters, one of whom was Charles Luciano, New York vice lord, who was subsequently imprisoned and deported and who recently attempted to return to this country thru Cuba.

Ricca was indicted with Campagna, Nitti, and others in 1940, for conspiracy to take over the bartenders' union. His case was also nolle prossed.

The records show other arrests on lesser charges, but no convictions.

He was convicted in New York

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...ne other gangsters in the mil-lion dollar movie extortion case.

SPONSOR'S COMMENT

DR. MORRIS W. LEV, 104 S. Michigan av.: At the request of DeLucia's attorney, Mr. Chesler, I wrote a letter stating that Ricca had been a patient of mine since 1941. I told of his physical condition and said that in my contacts with him I had found him to be a gentleman and upright, and that his family seemed the same way. He was the meekest fellow who ever walked into my office, altho of course my contacts with him were purely professional.

Others recommending Ricca's parole were announced as:

THE REV. C. MARSANO, 6218 Sheridan rd., Chicago [parole adviser].

E. J. CURRY, 516 Western av., Joliet.

CURTIS N. VILAS, P. O. box 108, Sarasota, Fla.

JAMES LAPORI, Ball Oil company, 5915 Rogers av., Chicago.

TIMOTHY DINOEN, 5419 Van Buren st., Chicago.

GIOE'S RECORD

Charles Gioe, referred to by his gangster associates as "Cherry Nose," was reported to have been a gunner for the Capone gang, but evaded the usual gangster arrests.

He was known to the police as "commission man" for the gang, or one who handled bets that were too big for bookmakers to handle. He was said to have managed the gambling operations of the gangsters.

He was arrested for questioning in several gang murders in 1930 with Campagna.

His conviction with the others in the movie extortion case in New York was the first that the authorities scored against him.

SPONSORS' COMMENT

DAVID ZISOOK, real estate agent at 100 W. Monroe st.: I prefer not to discuss it.

LLOYD J. BUTLER, pawnbroker, 133 N. Clark st.: I have known Gioe for several years and I have always known him to be a gentleman. My contacts with Gioe were as a customer.

HARRY A. ASH, state superintendent of crime prevention: About April, Sidney R. Korshak, attorney, 134 N. La Salle st., asked me to give the parole board a letter for Gioe. I wrote that I believed Gioe to be worthy of rehabilitation. In May, Gioe asked me if I would be his parole adviser. I never heard from the government, I was never appointed Gioe's parole adviser, and I never acted as adviser.

Others recommending Gioe's parole were announced as:

P. L. MANN, Consolidated Wire and Associated companies, 1635 S. Clinton st., Chicago.

ALBERT B. TURNER, Turner Bros. Clothing company, Roosevelt rd. and Halsted st., Chicago.

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BARE SPONSORS OF PAROLES TO 4 CAPONE MEN

Truman Friend on List of 36 Names

WHAT SPONSORS SAY

Explanations of many of the sponsors for four paroled Capone gang members and a list of other sponsors will be found on page 9.

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Sept. 22—The justice department today listed 36 persons as those "who made representations with reference to parole" for four notorious Chicago gangsters imprisoned for a $1,000,000 motion picture industry shakedown. At the end of the list was the name of Atty. Paul Dillon of St. Louis, Mo., pal of President Truman and White House favorite.

The justice department announcement said Atty. Glenn P. Boehm of Washington, D. C. appeared with Dillon "for all applicants."

Hearing Opens Thursday

Atty. Gen. Clark's office made the list of names public in Washington as arrangements were completed for a congressional hearing to start Thursday in Chicago. Rep. Busbey [R., Ill.] said he had notified Charles W. Fisher, United States parole agent in Chicago, to have the four ex-convicts present at the hearing which will start at 10 a. m. in room 628 of the United States courthouse there.

Busbey said Rep. Hoffman [R., Mich.], chairman of the committee on expenditures in executive departments, with full power to investigate and to issue subpenas, had authorized him to make the arrangements.

They were convicted in 1944 and sentenced to 10 years each but were paroled last Aug. 13 at the end of 3½ years in prison. At their trial they were accused of conspiring to interfere with transportation and commerce by coercion and violence thru a threat "to close every theater in the United States."

An appeals court, upholding their convictions, termed the group a "ruthless and grasping crew of blackmailers" whose crimes "struck at the very heart of civilized society."

All to Be Subpenaed

Busbey said all the persons listed by the department of justice would be subpenaed to tell the congressional committee why they asked the release of the men, termed public enemies by Police Commissioner Prendergast of Chicago, and recently named by State's Atty. Tuohy of Cook country, and his assistant, Wilbert F. Crowley, as top men in a national syndicate of crime and gambling.

The ex-convicts, themselves, will be asked how they came to hire Atty. Dillon who, Busbey said, twice managed St. Louis campaigns for Truman when Truman was running for the United States senate. The campaigns were in 1934 and 1940.

Busbey said that he and Rep. Hoffman "regard these paroles as outrageous and a miscarriage of justice."

"Hoffman feels as I do, which is that no parole board in its right mind would think such men as these could be reformed," Busbey asserted.

Duty to the Public

"These men have been criminals all their lives. Parole was never meant for such. If money or political influence, or both, was used in their behalf, congress owes a duty to the public to get the truth."

The list of names handed out by the attorney general's office—which

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for weeks had refused to tell the public who had asked for freedom for the four men and why—was headed by a statement from Daniel H. Lyons, recently appointed head of the parole board. His appointment as successor to T. Webber Wilson, who resigned as board chairman two weeks after the convicts returned to Chicago, was made by Clark.

Denies "Any Irregularity"

The statement which presumably quoted Lyons said:

"The files of the board give no evidence of any irregularity in the proceedings on these cases, nor of any improper approach made to the board, nor of any undue influence contributing to the board's judgment, which was unanimous."

"It may be Mr. Lyons' judgment that there were no irregularities in this case but it is not mine," said Busbey.

"It looks like the department of justice is trying to wield a whitewash brush, after having failed to suppress the facts about these scandalous paroles. Congress, not Mr. Lyons, will determine whether there was any irregularity, and if the appearance of Atty. Dillon, President Truman's pal, was undue influence."

Who, What, and Why

Busbey, along with Representatives Church and Reed [R., Ill.] had demanded that Clark and President Truman disclose to the public every detail of the who, what, and why concerning the paroles.

Leo M. Cadison of the attorney general's office, who handed out the press releases of the names, said that as far as he knew the list was "all" of those who appeared or wrote to the parole board in behalf of the convicts. He was asked if some names hadn't been withheld. He replied that he would inquire and answer the question later.

The congressmen said they would undertake to see if any names were covered up.

"We're going to get to the bottom of this mess," Busbey said. "No one who had a hand or voice in the matter will be permitted to remain unknown to the public.

"Congress intends to find out the motives of each person who asked freedom for one of the convicts. Were they offered a reward, or threatened? Did some of them have fears of violence or business troubles with unions if they refused?"

National Crime Syndicate

The men who were freed by the United States parole board and who will be questioned by the congressmen are Paul Ricca, reputed head of a national crime syndicate; Louis Campagna, Phil D'Andrea, and Charles Gioe, all members of the old Capone gang.

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PAROLE PROBER CITES BROWNE AND BIOFF CASES

Busbey Says Record Was Available to Clark

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Sept. 21—Congressional records which contain the story of why and how George Browne, former president of the AFL International Alliance of Theater and Stage Employes union, and William Bioff, Chicago gangster, received reduced prison sentences for testifying against Paul Ricca, Louis Campagna, Phil D'Andrea, and Charles Gioe—about whose paroles government officials have been forbidden to talk—were cited today by Rep. Busbey [R., Ill.].

George Browne [top] and William Bioff

A congressional hearing on all phases of the paroling of the four has been arranged by Busbey and Rep. Hoffman [R., Mich.] to start this week. They termed the freeing of the convicts a scandal and a national disgrace and chided Atty. Gen. Clark and his subordinates for "covering up" the facts in the case.

The record shown by Busbey contains testimony by former Atty. Gen. Francis Biddle, who preceded Clark, and Asst. Atty. Gen. James R. McGranery. The officials were questioned by former Rep. Jones [R., O.]. Busbey said the record answers the excuse offered by federal parole officials for the release last month of the Chicago gangsters—that the four were no worse than Browne and Bioff.

Reputations Told in Record

It reveals, too, Busbey said, that Clark had all the facts regarding the Chicago Capone gangsters and knew that Browne and Bioff were given "consideration" for helping the government convict Ricca and the others as master extortioners who had taken more than $1,000,000 from Hollywood motion picture officials.

The reputations of the men paroled last month was plainly stated in the record of the hearing of Jan. 16, 1945, Busbey said, and was easily obtainable by the parole board members who now refuse to tell who urged them to free the gangsters. The proceedings were before a house subcommittee on appropriations, and the record reads as follows:

MR. JONES—Did the department of justice have anything to do with the Bioff-Browne release from the penitentiary?

MR. BIDDLE—I am glad you asked that. I will give you the story on that. Bioff and Browne were the two racketeers that held up the moving picture industry and Mr. Schenck. [Joseph M. Schenck, motion picture producer]. They were indicted and convicted by Matt Correa, a former United States attorney in New York, one of the ablest attorneys we ever had. It was hoped at that time that they would talk some more so we could get at some of the rest of the gang. Correa discussed the matter with me and said he was exceedingly doubtful whether they would talk, but they might be able to get something out of them. Judge Knox, who is the senior judge of the District court of New York and one of the most respected judges in the United States, held the term open. The purpose of holding the term open was that the judge could, if he deemed it wise, cut the sentences that he had imposed on Browne and Bioff.

MR. McGRANERY—Browne got eight years and Bioff 10, and there was a $20,000 fine. It was a flat sentence.

Persuades Them to Talk

MR. BIDDLE—And the fines were paid. Subsequently one of Correa's assistants over a period of months was able to persuade Browne and Bioff to talk. As a result of that

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they indicted five more of the gang and convicted all of them and they were sentenced. At a time when the parole period had expired in one of these sentences—I think the eight year one—application was made by counsel for Browne and Bioff to the court for a diminution of the sentence on the ground that they had turned state's evidence and that their evidence had resulted in the conviction of five other members of the gang. The government, when asked, did not oppose that application. They neither applied for it nor did they oppose it, and Judge Knox commuted both sentences to about the period when they would have been eligible for parole, if I remember.

It was said on the floor of congress that I made a deal with those two persons and that therefore I should be impeached. Not only did I never make a deal with them but no one that talked with them ever made a deal with them. The case followed the ordinary procedure under which any man who turns state's evidence is considered favorably in determining the total length of his sentence.

Lists Convicted Men

MR. JONES—Who are the folks that were convicted as a result of their turning state's evidence?

MR. McGRANERY—There were five. The record shows them to have been members of the old Al Capone gang. One name was Campagna.

MR. BIDDLE—There is no question about it. We could not possibly have convicted them, the other five, without Browne's and Bioff's testimony, if that is what you want.

MR. JONES—You will put the other names in the record?

MR. McGRANERY—Yes.

[*The matter referred to is as follows:*]

Disposition of cases in racketeering investigation of motion picture industry.

Frank Nitto, ex-convict, cousin of Capone, head of syndicate in Chicago; suicide on day indictment filed.

Louis Campagna, ex-convict, head syndicate; 10 years, $10,000 fine.

Paul Delucia [Note: Known in Chicago as Paul Ricca], treasurer of syndicate; 10 years, $10,000 fine.

10 Years for Capone Guard

Phil D'Andrea, Capone bodyguard, ex-convict, publisher Italian newspaper in Chicago; 10 years, $10,000 fine.

Francis Maritote [Note: Known in Chicago as Frank Diamond, and a brother-in-law of Capone], gangster, arrested 23 times on charges ranging from murder to petty offenses, never convicted; 10 years, $10,000 fine.

Charles Gioe, gangster and subordinate in syndicate, 10 years and $10,000 fine.

John Rosselli, west coast representative of syndicate, 10 years and $10,000 fine.

Louis Kaufman, ex-convict, labor leader in Newark; 7 years, $10,000 fine.

Nick Circella [Note: Known in Chicago as Nick Dean; convicted April, 1942], ex-convict, member of syndicate; 8 years, $10,000 fine.

Martin Hirsch, convicted of perjury before grand jury in course of investigation, Dec. 19, 1942; ex-convict; 2 years, $2,000 fine.

William Bioff, informer, 10 years, $20,000 fine.

George Browne, informer, 8 years, $20,000 fine.

Chicago Daily Tribune
Sept. 23, 1947

RECORDS IN MOB PAROLE SOUGHT BY HOUSE GROUP

Hearings May Be Held in Chicago

BY JAMES DOHERTY.

[Chicago Tribune Press Service]

Washington, Sept. 20—Subpenas for records concerning the recent paroling of Paul Ricca, Louis Campagna, Phil D'Andrea, and Charles Gioe, listed as members of the old Capone gang, will be served shortly, Representatives Hoffman [Rep., Mich.] and Busbey [Rep., Ill.] announced today. Hoffman, from his home in Allegan, Mich., started the machinery for a hearing on the paroles by the house committee on appropriations for executive departments. He is chairman of the committee.

Busbey, whose home is in Chicago, in which he represents a large portion of the south side, suggested that hearings might be held in Chicago, which is also the home city of the paroled convicts. Their crime—the one for which they went to prison—was the extortion of more than a million dollars from the motion picture industry.

Hoffman Wants Records.

The persons who aided the Capone gangsters gain paroles after they served 3⅓ years of their 10 year prison sentences might be placed on the witness stand in Chicago, Busbey said. Hoffman said he didn't care whether they appeared in Chicago or Washington; he wanted them heard.

Hoffman said the first step, however, is to get the records which have been concealed by the parole board and forbidden to the public. A subpena to the parole board to produce them before the Hoffman committee will be prepared, he said.

When the congressmen have before them the names of the persons who, for one reason or another, asked the parole board to give the convicts their freedom, they can then decide when and where each parole advocate may be questioned, the committee chairman stated.

Want to Know Reasons

"Why did you seek leniency for the gangsters?" will be an important question, both congressmen stated. They explained that—for instance—a prominent and powerful employer of thousands of union men will be asked whether any strike threats were made to him to induce him to advocate the freedom of Ricca—top man of the Capone gang, and the others whose power with unions in Chicago has been well known.

Questions regarding money will figure prominently in the questioning, it was said. The congressman said they want to know whether a large slush fund was raised to gain freedom from prison for the convicts who had been known as union pirates—they pirated the union that got them into trouble, the AFL International Alliance of Theater and Stage Employes.

$250,000 Fund Mentioned

"I have heard that a large sum was used—one report says it was $250,000—to get the convicts out," Busbey asserted. "There are stories in Chicago that Ricca, while in prison, was able to control many thousands of votes and that he bartered votes for freedom.

"There are reports that powerful gangsters in other cities used their influence on powerful politicians to get Ricca, Campagna, Gioe and D'Andrea out. Congress must sift these reports.

"Washington officialdom so far has suppressed all information concerning the paroles. The parole board members who voted freedom for the gangsters have been ordered to keep silent. Attorney General Clark and his aids have prevented the facts concerning the paroles from becoming known. Why?"

Chicago Daily Tribune
Sept. 21, 1947

BOARD DECIDES (ALMOST) TO AIR PAROLE FACTS

Chairman Says He'll Tell All—Some Day

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Sept. 18—An answer almost came from the federal parole board today to the statement of United States District Judge John Bright of New York that he had opposed the parole last month of four Chicago Capone gangsters who had been caught in a million dollar extortion and received 10 year sentences. The board was nearly of a mind to contradict Judge Bright; two members indicated, but they didn't.

Some day—the date is indefinite—the names of all persons who advocated the parole of Paul Ricca, Louis Campagna, Phil D'Andrea and Charles Gioe, will be made public, the new chairman of the board, Daniel M. Lyons, announced. Lyons explained he thought he ought to wait until the Federal Bureau of Investigation concludes its probe of the paroles.

Rep. Busbey [R., Ill.] who had demanded, first, a complete disclosure of all facts pertaining to the paroles, and second, an FBI inquiry to determine if bribery, intimidation, threats, promises, or political influence had secured freedom for the gangsters, said he would tolerate no further delay by Lyons or Atty. Gen. Clark in this matter.

Warns Against "Cover Up"

"Mr. Lyons is right; the names will be made public," Busbey said emphatically.

"Congress will see to that. We owe a duty to the public to require the parole board to open up its records, and to conceal nothing that will shed light on why these paroles were granted.

"The committee headed by Rep. Hoffman [R., Mich.] will impound those records in a hurry if it appears that Atty. Gen. Clark and his staff are trying to cover up."

Lyons Absent from Office

A reporter called at the offices of the federal parole board this morning to ask if the records are to be opened for public inspection, and to ask if there was any reply to the statement of Judge Bright. Chairman Lyons was not in his new office.

The other Democrat on the board, Fred S. Rogers of Texas—which is Clark's home state—said he thought there might be a statement from the parole board in the afternoon.

"As long as Judge Bright has issued a statement regarding the paroles, perhaps he would not object to our making his letter to us public," said Rogers.

"So he opposed the paroles, did he?"

But the autonomy supposedly given the parole board last week by Atty. Gen. Clark was not working. Rogers said only Lyons could talk to the press.

In the afternoon Chairman Lyons was present, and the autonomy was absent.

Awaits FBI Report

"I feel that I should wait until the FBI makes its report," he explained.

"But eventually the names of all who wrote to us will be made public.

"It may be that there will be different interpretations made of what Judge Bright wrote to the parole board. Only part of his letter was quoted in THE CHICAGO TRIBUNE. Perhaps the rest of it will be enlightening."

Chicago Daily Tribune
Sept. 19, 1947

Fought Gang Paroles, Says Judge

Cites Records of Convicts in Appeal to U.S.

BY CHARLES GOTTHART

[Chicago Tribune Press Service]

New York, Sept. 17—The four Capone gangsters of Chicago who were paroled from federal prison last month after serving only a third of 10 year prison sentences for a million dollar movie shakedown racket were paroled over the opposition of the judge who sentenced them.

United States District Judge John Bright told THE TRIBUNE today that in July he had written a federal parole official specifically opposing the parole of one of the men and summarizing the government's charges against the others as an expression of his opposition to leniency for any of them.

On two previous occasions the judge went on record advocating the serving of full sentences by this group and also by other felons found guilty in the same shakedown racket.

Top Members of Syndicate

The four are Paul Ricca, Phil D'Andrea, Louis Campagna, and Charles Gioe, top members of a crime and gambling syndicate with headquarters in Chicago.

Judge Bright showed a reporter a letter he had received from Walter K. Urich, parole executive, on the letterhead of the United States parole board, Washington. It said the board would consider the parole of D'Andrea at a meeting in July at the federal prison at Springfield, Mo. "The board," Urich wrote, "would be glad to have any comments you may care to offer at this time concerning the parole of this man."

"I was not asked about the others," Judge Bright remarked. "I didn't know until now that they were to be paroled. Replying to this letter I wrote a full history of the case as it concerns D'Andrea, his part in the conspiracy, and also his previous record of arrests and convictions.

Summarizes Charges

"I was not consulted about the others, but in my letter to Urich I summarized the government's charges against them as contained in the printed record of the case. I expressed myself against parole."

In conference with Judge Bright when the reporter called for an interview was Boris Kostelanetz, who was named special prosecutor by the attorney general to conduct the government's long case that ended in conviction of the men in 1944.

Kostelanetz said that legal proprieties would not permit his discussion of the case with the reporter, since he was now in private law practice and could not reveal affairs of the government for which he formerly served. However, he offered to communicate with the justice department on what, if anything, he could tell the press regarding the parole recommendations he had made previously. The answer, he said he was informed, was "nothing."

A clew to these recommendations, however, was seen in the fact that Judge Bright summarized the at-

Chicago Daily Tribune
Sept. 16, 1947

torney's final arguments in opposing parole in the letter to Urich.

Of D'Andrea, Kostelanetz had said: "He has a lengthy record of arrests, only one of which resulted in his going to prison." As long ago as 1915, he was arrested in possession of a quantity of dynamite. He was arrested twice in 1924 and again in 1927 for carrying concealed weapons. "As some indication of his associations," as Kostelanetz expressed it, he was arrested in Al Capone's bedroom in the Lexington hotel, Chicago, in 1931. Later that year, the account went on, D'Andrea was handed a six month sentence for contempt of court. He had carried a loaded revolver into the Chicago federal court where Capone was being tried for income tax evasion.

"This information was available to the parole authorities," Judge Bright remarked.

Cites Ricca's Arrests

Of Ricca, Kostelanetz had said there had been many arrests but no record of convictions. "On each occasion [of his arrest] he was in the company of groups generally acknowledged to be criminals," the attorney said. "In 1932 he was arrested in Chicago in the company of Lucky Luciano, [notorious criminal since deported]. He was indicted in the George McLane case [a reference to the attempted kidnaping of a Chicago Bartenders' union official], but was not tried on this charge."

Kostelanetz, in reciting the record of Campagna, noted that he had been convicted of bank robbery and sent to an Illinois prison in 1918. He was returned for several parole violations and later after his release from parole was arrested several times for carrying pistols. He was known generally as Capone's bodyguard, and in 1932 was present when Frank [the enforcer] Nitti, another Capone hoodlum, was shot by Chicago police. Campagna was indicted in the McLane case, but McLane refused to testify at the trial and Campagna was not apprehended.

Indicted for Mail Robbery

Of the four criminals, the least serious previous offenses were recorded against Gioe, of whom the attorney said: "He was a defendant with 30 others in a mail robbery case; was indicted in March, 1935 but never apprehended. The indictment was dismissed in 1936."

Judge Bright told the reporter that his first opposition to parole was recorded soon after conviction of the group. "In June, 1944, I wrote that I would oppose the parole of any of the seven defendants originally included. I was then asked specifically about five of them.

"My opinion concerning parole was contained in a letter to Mr. Kostelanetz, who in the normal course of events was preparing the regular federal parole form which the government attorney fills out. My recommendation most likely was placed with the records of the warden at the Atlanta, [Ga.] prison.

"I wrote another letter of the same kind in July, 1945, again to Mr. Kostelanetz, opposing the parole of two other defendants, Frank Maritote, alias Frank Diamond, and Louis Kaufman. In this I also utilized Mr. Kostelanetz's information concerning their connection with the movie conspiracy and their previous records.

"I wrote that I would oppose parole for these men for various reasons that Mr. Kostelanetz had pointed out and for another particular reason—that their activities had been directed not only against the motion picture industry but against unions. I know of no better way to suppress these activities than thru punishment.

"After writing these two letters to Mr. Kostelanetz, I replied to Mr. Urich, giving him the full history of the case as it concerns D'Andrea and summarizing the government's charges against the other three who had been paroled."

Chicago Daily Tribune
Sept. 18, 1947

U.S. AIDS DODGE GANG PAROLE QUERIES AGAIN

Congressmen Continue to Get Brushoff

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, Sept. 17—Officials of the justice department and the federal parole board today continued to dodge the demands of Illinois congressmen for an explanation of the paroles granted Aug. 14 to four Chicago gangsters, members of the Capone mob, who had been convicted of a million dollar shakedown.

The four, Paul Ricca, Louis Campagna, Phil D'Andrea and Charles Gioe, chiefs of a national crime syndicate, were released from prison at the earliest possible date after serving only 3⅓ years of their 10 year terms.

Far-Flung Secrecy

The policy of secrecy, it was admitted today by government officials, included Atty. Gen. Clark's refusal to permit Boris Kostelanetz, New York lawyer who prosecuted the case in 1943, to reveal what his parole recommendations were.

It also included suppression of a letter from United States District Judge John Bright, who sentenced the four gangsters, stating he opposed their parole and believed they should serve their full sentences.

Daniel M. Lyons, newly appointed chairman of the parole board, promised in a telegram to Rep. Busbey [R., Ill.] to look into the matter right away.

"I have just been sworn in as chairman of the parole board and will give your telegrams of Sept. 8 and Sept. 16 immediate attention," he wired. Appointment of Lyons was announced Saturday. He has, however, been a justice department pardon attorney since 1936.

Doubts Newspaper Inspection

Reasserting the position previously stated by Atty. Gen. Clark, Lyons said he doubted that newspaper reporters ever will be permitted to read any of the letters received by the parole board with reference to Ricca, Campagna, D'Andrea or Gioe.

Busbey asserted Lyons' telegram and another he received today from Douglas McGregor, assistant to Clark, indicated Clark's department intends to continue "ducking" the issue, as it has since Busbey and two other Illinois Republicans, Representatives Reed and Church, began demanding an explanation of the paroles.

McGregor, replying to a wire addressed to Clark, referred Busbey to the parole board for answers to four questions he had asked, and to the bureau of internal revenue for information on a fifth query.

Issue of Jurisdiction

To Busbey's question as to whether the gangsters had been required to make restitution of any of the million dollars they extorted, McGregor replied that the "courts . . . not the attorney general, have original jurisdiction of criminal actions." As to whether Clark had advance notice the men were to be freed, McGregor replied equivocally that the parole board does not send the attorney general notice of issuance of a certificate of release.

Busbey said he believed it would be necessary to subpena the parole board records before the house committee on expenditures in the executive departments, of which Busbey is a member. The committee, headed by Rep. Hoffman, [R., Mich.], will undertake to get at the facts, Busbey asserted.

Chicago Daily Tribune
Sept. 18, 1947

BUSBEY RENEWS HIS DEMAND FOR PAROLE FACTS

New Board Chief Silent on Capone Men

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Sept. 16—Parole Board Chairman Daniel M. Lyons wasn't answering any questions today concerning how and why federal prison doors opened for four Capone gangsters of Chicago convicted of a $1,000,000 shakedown. In fact, Lyons wasn't working, and Rep. Busbey [R., Ill.] again demanded that Atty. Gen. Clark start telling the public who "fronted" for the gangsters, and how 10 year sentences were cut to 3½ years.

Clark had attempted to "wash his hands" of the parole mess by declaring that the parole board was autonomous after Representatives Busbey, Church, and Reed, all Illinois Republicans, joined in statements that the attorney general and his assistants owed the people of Chicago an explanation of the release from prison of Paul Ricca, Louis Campagna, Phil D'Andrea, and Charles Gioe, head men of a national crime syndicate.

Talks with Permission

"The parole board is an autonomous body," said Douglas McGregor, assistant to Clark. "Let them do their own explaining."

But Fred S. Rogers and B. J. Monkiewicz, members, had said they were gagged by orders of the attorney general, and could only talk with his permission.

On Saturday, the attorney general's office had announced:

"Daniel M. Lyons, formerly pardon attorney for the department of justice, is appointed chairman of the parole board, replacing T. Webber Wilson whose resignation was effective Aug. 30. Mr. Lyons will decide whether to make public the names of persons who interceded for the four convicts."

Busbey explained today that before the appointment of Lyons he had asked Clark to answer eight questions, one of which was "do you approve or disapprove of the paroles granted Ricca, D'Andrea, Campagna, and Gioe?"

"No Advance Knowle

"Atty. Gen. Clark telephoned me on Saturday and answered one of my questions to the effect that he has no advance knowledge of the freeing of the four public enemies," Busbey declared. "He told me at least two prominent Chicagoans were among those who helped the gangsters get free.

"At that time Mr. Clark said Lyons would make some disclosures Monday. But Lyons didn't. So I sent another message to Mr. Clark."

Busbey's telegram read:

"More than a week has passed since I sent you a wire on Sept. 8 asking eight specific questions regarding the paroles of Ricca, Campagna, D'Andrea and Gioe. I have always understood that congressional inquiries received top priority in your department. I do not consider our telephone conversation of Saturday an answer to questions 7 and 8 in my telegram. I am disappointed that the new parole board chairman, Daniel M. Lyons, did not make announcements, as you informed me you expected he would. May I anticipate your reply by return wire?"

At the parole board office the receptionist said Lyons was not there today. She telephoned his former office in the department of justice where he advised Clark on pardon matters, and was told he wasn't there, either.

Chicago Daily Tribune
Sept. 16, 1947

FBI WILL PROBE U. S. PAROLE OF CAPONE CHIEFS

Busbey Awaiting Sponsor Names

BY JAMES DOHERTY

Rep. Busbey [R., Ill.] announced yesterday that an inquiry will be started today by the federal bureau of investigation to determine whether corruption, bribery, intimidation, or other unlawful means were used to obtain paroles for the four Capone gang chieftains whose $1,000,000 extortion case sentences of 10 years each were cut short last month.

Rep. Busbey

At the same time, Rep. Busbey said, he expects Daniel M. Lyons, newly appointed chairman of the United States parole board, to reveal at least some of the names of persons who interceded for the convicts. He said he understood that "two prominent Chicagoans" are among those who asked the parole board to free Paul Ricca, Phil D'Andrea, Louis Campagna, and Charles Gioe.

Lyons Should Talk, Clark Says

Atty. Gen. Clark, who appointed the three present members of the parole board and who had said he didn't have the power to order them to give a public accounting of their conduct in the Capone gangster cases, is of the opinion that Lyons "ought to make a statement on the subject," Busbey reported.

Clark announced the appointment of Lyons on Saturday. Lyons, a former Boston lawyer, has been pardon attorney in the department of justice since 1936 and Clark's adviser on matters of this sort since Clark became attorney general.

Lyons took the place of T. Webber Wilson, chairman of the board which freed the four gangsters. Wilson resigned two weeks after the gangsters returned to Chicago, where they were met by a blast from Police Commissioner Prendergast that they would not be permitted to "roam the streets of Chicago."

Refuse to Disclose

Wilson and the remaining members, Fred S. Rogers, a protege of Atty. Gen. Clark, and B. J. Monkiewicz, Republican, said they were not permitted to disclose the names of any persons who may have advocated the paroles of the four men. Even the name of the lawyer who acted for them was kept secret.

In St. Louis, Atty. Paul Dillon, a White House favorite who had a pre-trial connection with the extortion case in which Ricca, D'Andrea, Campagna, and Gioe were convicted, said it was nobody's business whether or not he acted for the four.

"The refusal of all persons concerned to give the public an explanation was natural in this case," said Busbey. "The parole was considered an outrage against Chicago and the entire country by those who know the facts.

FBI Assigned to Task

"I told the attorney general that the good name of the department of justice required that all rumors of bribery in the parole cases should be run down, and the public should be given the facts. He said he would assign the bureau of investigation to that task and the FBI is to contact me tomorrow."

"Atty. Gen. Clark said he didn't know about the paroles until after they were granted," Busbey said.

"Mr. Clark said he was still of the opinion that the parole board is an autonomous body which makes its own decisions and does not take orders from him. However, he stated as his own opinion that the parole records in these cases should be made public."

The congressman said his requests this far have brought him only vague statements that several priests were among those who petitioned for the freedom of the four gangsters.

Chicago Daily Tribune
Sept. 15, 1947

DID HE HELP GANG ON PAROLES? PAL OF TRUMAN MUM

BY JAMES DOHERTY
[Chicago Tribune Press Service]

St. Louis, Sept. 12—Atty. Paul Dillon of St. Louis, a White House favorite and campaign manager for President Truman when Mr. Truman ran for senator, today refused to say whether he was attorney for four Chicago Capone gangsters who were released recently on federal parole after serving only a fraction of their sentences for extortion from the motion picture industry.

Dillon said it was none of the public's concern whether he acted as attorney in obtaining paroles for Paul Ricca, Louis Campagna, Phil D'Andrea, and Charles Gloe, who were sentenced to 10 years imprisonment in 1943 and who were freed after serving three years and four months.

"It's nobody's business whom I represent, and particularly no business of any one in Chicago," Dillon informed a reporter.

"I Won't Talk," He Says

"You may be right," he was told, "but some people in Chicago think the public has a right to know how these gangsters got out and why. If you didn't represent them, all you need do is say so."

"I won't talk about my law business," Dillon declared.

However, newspaper files here showed his pre-trial interest in the case of the four Chicago hoodlums and also disclosed that Dillon was the attorney for John P. Nick, vice president of the Motion Picture Operators International union, and for Clyde Weston, local business agent for the union, when they were accused of extortion from movie theater owners in 1939.

At the same time George Browne, international president of the union, and Willie Bioff, who took away control of the international from Browne, were confessing to extortion in New York City.

Dillon Showed Accounts

Bioff and Browne testified that Ricca—said to be the national boss of the Capone gang—Campagna, D'Andrea, and Gloe got the lion's share of the money extorted from Hollywood movie producers.

Dillon was required to produce his bank accounts before the grand jury in an investigation here which led to the indictment of Nick and Weston. Also called as a witness in that hearing was Robert E. Hannegan, postmaster general, Democratic national committee chairman, and St. Louis boss Democrat rated here as "the man who put Harry Truman in the White House."

Dillon is known here as the attorney for Sheriff John Dougherty of St. Louis, who recently was sentenced on charges of fleeing the scene of an accident, and as a lawyer who has represented politicians for several generations.

Deny Hannegan Link

His attitude regarding the parole of the Chicago hoodlums was similar to that of the office of Atty Gen. Clark. Clark's assistant, Douglas W.

Chicago Daily Tribune
Sept. 13, 1947

MICHENER BACKS FIGHT FOR GANG PAROLE DETAILS

BY JAMES DOHERTY.
[Chicago Tribune Press Service]

Washington, Sept. 10—A congressional investigation of the paroles granted last month to four Chicago Capone gangsters was advocated today by Rep. Michener [R., Mich.], chairman of the house judiciary committee. Michener went on record in favor of full publicity on the paroles in reply to a telegram from Rep. Reed [R., Ill.], a member of the committee.

Rep. Michener.

No reply had been received up to tonight by congressmen who had asked Atty. Gen. Clark to end the secrecy concerning the freeing of Paul Ricca, Phil D'Andrea, Louis Campagna, and Charles Gioe, top members of a crime and gambling syndicate with headquarters in Chicago. They were sentenced to 10 years imprisonment for extortion of more than a million dollars, but the federal parole board set them free after 3 years and 4 months.

Charges "National Disgrace"

Rep. Reed told Chairman Michener the paroles constituted a national disgrace. The attitude of the federal parole board members in secreting all facts concerning their action—in the face of rumors that large sums were paid for the release of the four gangsters and that high political figures gave help to the criminals—is not in the interest of good government, Reed and Michener stated.

They deplored the help department of justice officials gave the three parole board members in maintaining silence as to who and what influenced them to free the gangsters.

"The spirit of parole prohibits its being granted to such criminals," Reed said. "Parole is intended only for those for whom there is a possibility of rehabilitation and reform."

"Owe Accounting to Public."

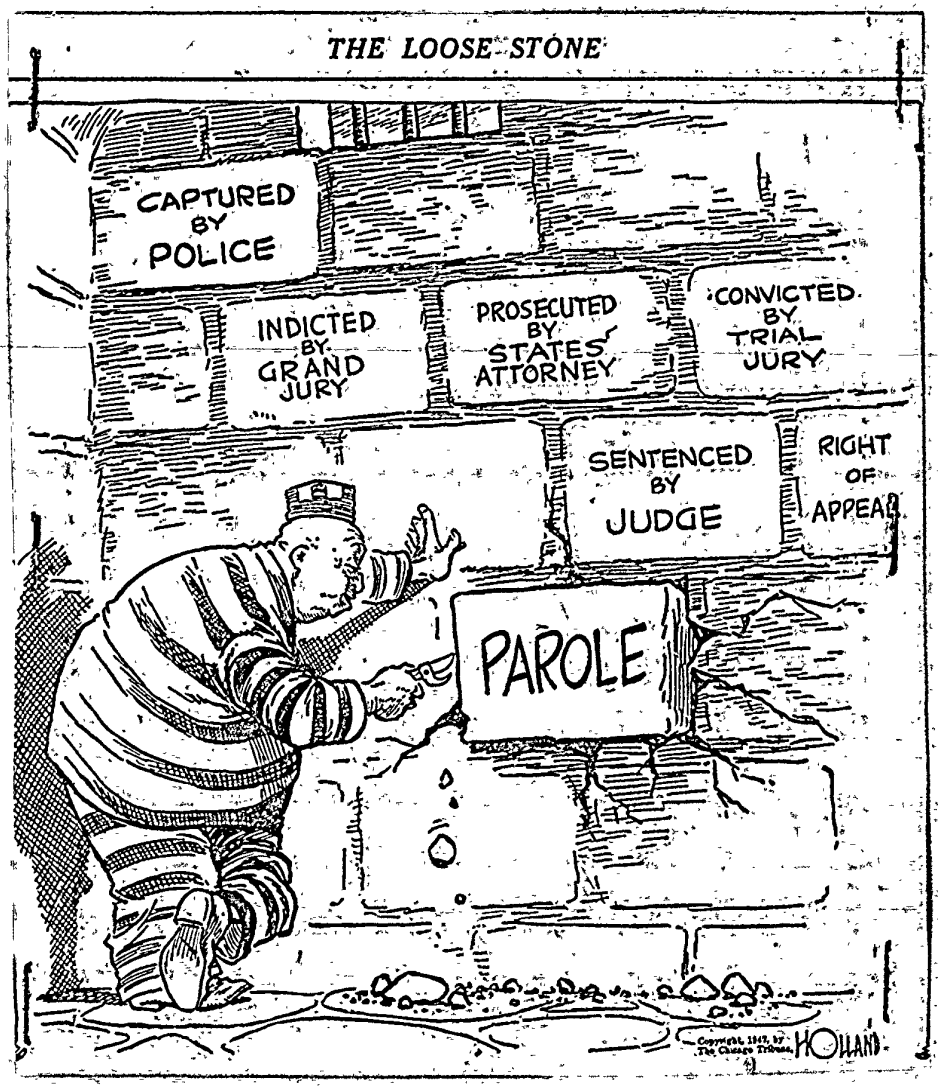
"But inasmuch as the government board did grant the paroles, the members owe the public a full accounting. Parole records ought to be open to the public, except in instances where harm might result to some one really trying to be honest and who might be hounded."

Reed asked the chairman of the committee to appoint a subcommittee to inquire into the paroles, and into reports of large lawyers' fees and powerful political pressure being back of the freedom granted the gangsters.

Chairman Michener said he would appoint such a subcommittee at once and assign it to the Capone gang paroles if he had the power. He can't do it while congress is in recess, he explained, and after congress meets again the adoption of a resolution will be necessary to give such a subcommittee the powers it will need to subpena witnesses and records.

Atty. Gen. Clark, who appointed the two parole board members still in office, has not answered a query as to whether he approved or disapproved of the paroles, and whether he would order the parole board to disclose all its records on the gang parole. The two members are Fred S. Rogers, who comes from Clark's home state of Texas, and B. J. Monkiewicz of Connecticut. The board chairman, T. Webber Wilson, resigned immediately after the four men were paroled.

Chicago Daily Tribune
Sept. 11, 1927



Chicago Daily Tribune
Sept. 11, 1947

CLARK 'TOO BUSY' TO TALK ABOUT GANG PAROLES

Aid Insists Board Is Final Authority

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Sept. 9—Parole secrecy was at issue today as the justice department considered the question: "Are public records public, and should the public be told why and how four Chicago Capone gangsters were paroled from federal prisons last month?"

Demands by Representatives Church and Busbey [R., Ill.] that Atty. Gen. Clark give an immediate accounting of the recent release from prison of Paul Ricca, reputed head of the Capone gang's national crime and gambling syndicate; Louis Campagna, Philip D'Andrea, and Charles Gioe went unheeded today. The Cook county congressmen said that if Clark refuses or fails to give a satisfactory explanation of the freeing of four convicts they will ask a congressional inquiry.

Reports Chicagoans Outraged

Rep. Church said the people of the Chicago area were outraged at the parole of the four gangsters. Rep. Busbey said the four were among the most notorious criminals in Chicago's history, and their release was unexpected. Busbey added that Clark should fix responsibility for the action taken by his subordinates.

At Clark's office it was admitted he had received Busbey's telegram. Rep. Church's demand for "the truth about the paroles" was sent to President Truman.

Clark had made an appointment to discuss the Capone gangsters' paroles today but pleaded the press of more important business and delegated his assistant, Douglas McGregor, to act in his place.

Parole Correspondence Secret

McGregor said he was advised of the requests and demands that the parole board's records be opened to public scrutiny. He was informed that the parole board members had answered some questions concerning their action in granting clemency to the four Chicagoans at the earliest possible moment, but had refused to answer other questions, and had declared that all correspondence concerning the paroles was to be kept secret.

McGregor said he agreed with the suggestion that writers of letters to the parole board advocating the freedom of convicts might be encouraged to stretch the truth if they were assured their letters would never be made public.

"I will look into the matter and make a decision later," said McGregor, regarding full disclosures regarding the Capone gangsters.

It had been announced that the gangsters owed the government a considerable amount of money for income taxes. The treasury department's statement said that Ricca owed $183,883 and Campagna $468,877.

McGregor had a copy of Busbey's telegram demanding all records on the matter be made public, and asking whether Clark had advance knowledge that the paroles would be granted, and if Clark approved or disapproved of the paroles.

"I have been unable to get the parole board members together today to ascertain whether they are willing to make their records public," McGregor told reporters this afternoon. "After all, it is up to them."

"Are they not under the jurisdiction of the attorney general?" he was asked.

"I disagree with that view," he replied. "They are a separate body."

Chicago Daily Tribune
Sept. 10, 1947

TRUMAN ASKED FOR FACTS ON GANG PAROLES

Two in Congress Warn of Investigation

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Sept. 8—Reps. Church and Busbey [R., Ill.] today demanded disclosure of all facts pertaining to the paroles granted last month to four notorious gangsters. Church

Rep. Busbey

Rep. Church

sent a wire to that effect to President Truman. Busbey made his demand on Atty. Gen. Clark.

The congressmen declared that Chicago and the rest of the country are aroused over the fact that Paul Ricca, Louis Campagna, Philip D'Andrea, and Charles Gioe were shown clemency by the federal parole board, which is under Atty. Gen. Clark's supervision.

Given 10 Year Sentences

Unless Truman, as boss of all federal employes, and Clark, as head of the department of justice which has control over the sentencing, keeping, and freeing of the four gangsters, make all data concerning the paroles available for public inspection immediately, a congressional inquiry will be asked, the congressmen declared.

The convicts were freed Aug. 14 after having served three years and four months of 10 year sentences imposed after their conviction on charges that they extorted a million dollars from the motion picture industry. The trial was held in New York City in 1943.

Since the paroles were granted, T. Webber Wilson, chairman of the parole board, has resigned. His co-members, Fred S. Rogers and E. J. Monkiewicz, said they could not and would not reveal any of the records in the files of the four men who have been prominently identified with the old Al Capone gang, of which Ricca now is reputed to be the national boss.

"People Are Outraged"

Church's telegram to President Truman said:

"The people of our Chicago area are outraged at the parole of the four Capone gang bosses, Ricca, Campagna, D'Andrea, and Gioe.

"I urge your immediate complete investigation and respectfully request immediate full report from you or the office of attorney general."

Busbey's wire was addressed to Clark and said:

"The people of the United States are entitled to and demand a full explanation regarding the parole from federal prisons of Ricca, Campagna, D'Andrea, and Gioe.

Protection of Public

"I demand that you make public all records immediately involving the paroles of these four men. I respectfully ask the answer to the following questions:

"1. Did you as attorney general approve or disapprove of the paroles?

"2. Did the four convicts give as part of their parole applications full and accurate data on previous arrests?

"3. Did they agree to make restitution of money extorted from the film industry?

"4. Did they pay income tax on the extortion money?"

Report Lien Against Funds

Busbey's questions concerning the financial aspects of the investigation were said to have resulted from a statement by treasury department officials that a lien had been placed against the funds of Campagna and Ricca.

Treasury officials said Campagna owed the government $468,877 in delinquent taxes for the years 1937 to 1941.

Ricca was listed as owing the government $183,883 in delinquent income taxes for approximately the same period.

Chicago Daily Tribune
Sept. 9, 1947

CRIME RECORDS OF 4 PAROLEES A U. S. 'TOP SECRET'

Only Clark Can Release Papers on Capone Aids

BY JAMES DOHERTY

(Chicago Tribune Press Service)

Washington, Sept. 6.—Papers which cannot be realesed to the public or canned by newspaper men pending a decision by Atty. Gen. Clark include those pertaining to the previous criminal records of four Capone gang bosses, officials admitted today.

A question concerning how much of the backgrounds of the notorious Chicago criminals was revealed to the federal parole board which turned them out of prison two weeks ago could not be answered until Clark "unfreezes" the documents and relaxes the rule of silence, it was explained.

The parole board members, T. Webben Wilson, chairman, who resigned a week after the convicts were liberated, Fred S. Rogers, and B. J. Monkiewicz, said they "understood" that two of the convicts had no previous records and that each of the others had only one minor offense chalked against him.

They're Well Known

The convicts, freed after serving three years and four months of 10 year sentences on conviction of extorting more than 1 million dollars from movie magnates, are Paul Ricca, alias De Lucia, Louis [Little New York] Campagna, Philip D'Andrea, and Charles Gloe. Their reputations are said to be well established in Chicago, New York, Hollywood, and Miami, but were not made known to the parole board, the members asserted.

Rogers and Monkiewicz produced a blank form like those which all convicts in federal prisons who seek parole must fill out. They stated that this application starts the procedure thru which one of the three members—all appointed by the attorney general and answerable only to him—interviews the applicant and reaches an opinion as to whether clemency is merited. The form contains the following sections:

"My plan for the future is as follows:

"My opinion why parole may be granted at this time is as follows [point out any significant changes in your circumstances since your incarceration]:

Asks About Restitution

"State your version of the present offense. How do you explain your part in it? Can and will you make restitution and pay any fine?

"Previous record of arrests and dispositions. [Give date, city, offense, and final disposition in each case.]"

The four were among a group convicted of extortion from the film industry thru control of the AFL International Alliance of Theatrical Stage Employes, including the motion picture operators' union.

Efforts to learn here whether the written applications for parole made by Campagna and Ricca contain any account of their indictment in Chicago in connection with the piracy of the Bartenders and Beverage Dispensers union, local 278, so far have been without success.

Two Indicted in 1940

Ricca, reputed to be the national boss of an outfit which specializes in bootlegging and now has a national stranglehold on the gambling industry, and Campagna were known to have been indicted along with Frank [The Enforcer] Nitti in Chicago in 1940 after the gang had seized the bartenders' union. They were named on charges of conspiracy to seize control of the union and its lucrative treasury. However, due to local conditions, Campagna and Ricca were not arrested on the charge and Nitti was acquitted after a state witness became afraid to testify against him.

But, according to information received here, court records in Chicago contain a full account of the activities of Campagna and Ricca in the finding by Judge Robert Jerome Dunne that they, with Nitti and others, had taken physical possession of the union.

Parole board employes will not state whether Ricca, Campagna, and D'Andrea listed their arrests.

It was understood generally that Gloe had never been arrested prior to his seizure as one of the gang which was demanding "millions" from the film industry.

A request that the "applications" of the four convicts be opened for public inspection and for comparison with the records of the Chicago police is to be submitted to Clark next week, his assistants stated.

Chicago Daily Tribune
Sept. 7, 1947

WILL HOODLUMS REPAY VICTIMS? U. S. ISN'T SAYING

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Sept. 5—Requests for additional information concerning paroles granted to four notorious leaders of the Capone crime and gambling syndicate will be referred to Atty. Gen. Clark, his assistant, Leo Cadison, said today.

The four, paroled last month after serving a third of their 10 year federal sentences on convictions of extorting more than 1 million dollars from movie magnates, are Paul Ricca, alias Delucia, reputed head of the national crime syndicate, Louis Campagna, Phil D'Andrea, and Charles Gioe. The four returned to Chicago. Their release by the federal pardon board drew criticism, and inquiries yesterday drew the explanation from the board's former chairman, T. Weber Wilson, that the four were pardoned because the board felt they should have another chance.

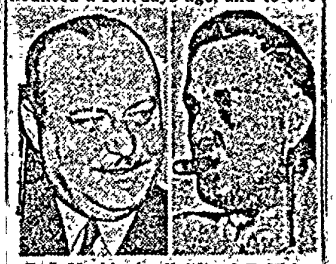
Question Goes Unanswered:

Cadison had given permission to Wilson, whose resignation was announced a few days ago, and to two other board members, Fred Rogers and B. J. Monkiewicz, to disclose their reasons for freeing the convicts, and all answered questions for publication.

But a new question asked today went unanswered. It was, "Did the four convicts agree to restitution of all or part of the 1 million dollars they extorted?"

The board officials had explained previously that they acted only after the convicts had applied for freedom on forms provided by the prison. One of the forms was exhibited. It contained this question: "Can and will you make restitution and pay any fine?"

Reporters were told they could not see the answers to this question in the handwriting of the convicts nor could they be told the substance of such answers.



B. J. Monkiewicz [left] and T. Weber Wilson.

Tax Status Uncertain

Wilson said he assumed the four felons would go to work and the government would not embarrass them or their employers by giving publicity to their plans. However, it was learned at least three of the convicts said they planned to live on their farms. It was understood that all are rich and that they retain much of the profits from their long gang membership.

No information has been available here as to whether the convicts paid income tax on the money they extorted from the motion picture industry.

"Will Gen. Clark say whether he approves or disapproves the action of his three subordinates in freeing the gangsters?" Cadison was asked.

"He is not here," Cadison answered.

"If a request for such an answer is put in writing, will it be forwarded to Clark?" he was asked. He said it would.

Chicago Daily Tribune
Sept. 6, 1947

WHY GANGSTERS WERE FREED: TO GET NEW CHANCE

Ex-Parole Chief Asserts They Rated One

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Coldwater, Miss., Sept. 4 — T. Weber Wilson, whose resignation as chairman of the federal parole board became effective last Saturday, explained in an interview today why he and his two associates voted to parole four Capone gangsters, who had been convicted of extorting more than a million dollars from Hollywood movie magnates.

He said it was because the parole board members believed the four could be rehabilitated.

Wilson, a former congressman from Laurel, Miss., who has been a local prosecutor and a federal judge in the Virgin Islands and who now lives here, said he had not resigned because of any criticism over the paroles.

Denies Getting Threats

Nor did he decide to parole the four Chicago hoodlums because of threats, fears, promises, influence, politics, or pressure of any kind, Wilson insisted.

The paroled gangsters are Paul Ricca, alias Delucia, Louis Campagna, Charles Gioe, and Phillp D'Andrea, who were freed after serving one-third of their 10-year sentences. Wilson's colleagues on the parole board were Fred S. Rogers, a Texan appointed last January, and B. J. Monklewicz, a former Republican congressman from Connecticut who became a parole official last June 12.

Wilson, who was named to the board in 1935, asserted:

"I don't know why there is such a fuss over the paroles of the four men from Chicago. Now it is said they are [All] Capone's successors. Well, that has been told to us for years about other convicts from Chicago. We just didn't believe it."

He Knows About Browne

However, Wilson displayed some knowledge of the connections of the Chicago mob.

"We believed the four men asking us for parole were no worse than George Browne and Willie Bioff," he explained. "There is a sign in the justice department office that governs our conduct. It says, 'Equal Justice for All.' That's what we wanted."

[Browne formerly headed the AFL International Alliance of Theatrical Stage Employes, and Bioff formerly represented the union. Browne was used by the four hoodlums as a pawn in threatening strikes against the movie industry, the government charged. Browne and Bioff were sentenced in the case.]

"I'm sorry, it is a rule of the department that we can't reveal the names of the people who wrote us in behalf of the paroles. But no politicians interceded. We were not influenced by any one.

Tells Biddle Interference

"In all my years on the parole board I was never threatened. Only once did an attorney general ever intervene. That was Francis Biddle, who told us we had done wrong in voting a parole for Annenberg some years ago.

[The late Moses L. Annenberg, Philadelphia publisher, served 23 months in Lewisburg, Pa., federal penitentiary after getting a three year sentence for income tax evasion. He was paroled on June 3 1942.]

"The other members then changed their votes, but I didn't. You see, we parole board members hold office only at the pleasure of the attorney general. We are not Presidential appointees. We are not confirmed by the senate. We can be removed any time the attorney general wishes. So, of course, we never want to offend him. But Atty. Gen. Clark never interfered in any case. Judge Rogers, my associate, was appointed last January to succeed Douglas Lucas, brother of Sen. Scott Lucas [D., Ill.]. Monklewicz replaced Edward Reldy of Providence, R. I., on the board just in time to vote on the paroles of the four men from Chicago."

All the board members were of the opinion the four Chicago gangsters deserved another chance, Wilson concluded. One of the convicts, he recalled, had a previous criminal conviction, but it was "28 years ago or so, when he was only a boy."

Chicago Daily Tribune
Sept 5, 1947

"Does any one have an opportunity to protest against the granting of a federal parole?" was the next question. The answer was "No."

In Illinois, public notice is given that hearings will be held on the applications of designated convicts for parole from state prisons. Prosecutor, judge, prosecution witnesses, and other interested persons are notified by mail as well as thru printed notice, and the family and friends of the convict may appear, too, and be given hearings on their pleas for clemency for those imprisoned.

Board Doesn't Have Time

"We give no notice and we hold no public hearings," said "Judge" Rogers. "We don't have time. The three of us divide the work of interviewing convicts in 28 separate prisons, and we talk to more than 10,000 a year.

"The member who talks to a convict makes a recommendation to the entire board, which acts on the application for parole.

"In the case of the four Chicago convicts, our vote to grant them paroles was unanimous."

"Which of you three interviewed the convicts?" Rogers and Monkiewicz were asked.

Then Comes Silence

There was a silence of several minutes. The two looked at each other. Neither spoke.

"You don't care to say?" they were asked.

They nodded assent.

"Were you both on the board when the decision was made?"

Each nodded.

"Did you know their reputations?" the reporter asked, referring to the history of the four ex-convicts as members of the Capone gang. The board members said they did not know that Ricca is rated in Chicago as the national head of the crime syndicate once held by Scarface Al Capone and later by Frank [The Enforcer] Nitti. They were asked if they knew that D'Andrea had been arrested in the courtroom of United States Judge James Wilkerson, armed with a pistol and acting as Capone's bodyguard during the trial of the gang boss for income tax cheating.

"Judge" Asks a Question

"We understand he was a deputy sheriff and had a right to carry a gun, but not in a federal court," Rogers explained.

[During his trial for contempt of court D'Andrea on Oct. 27, 1931, told Judge Wilkerson that he was a deputy bailiff of the Municipal court, but had been asked by Bailiff Albert J. Horan to turn in his credentials. When arrested D'Andrea had a deputy bailiff's star and a courtesy card issued by Capt. William Schramm of the west park police.]

"If these men had such bad reputations—which we now hear about—how was it that the state and Chicago city authorities never did anything to them?" Rogers asked.

Walter K. Urich, parole executive, who was present during the interview and who had been stationed in Chicago several years as a parole officer, recalled the Chicago scene. It generally was admitted that Capone, Nitti, Jack Guzik, Paul Delucca, and men of their stripe in gangdom had been immune from Chicago officialdom's prosecution but not from Uncle Sam's wrath over neglect to pay taxes.

"An editorial in THE CHICAGO TRIBUNE of Aug. 18 asks 'Who Fixed This One?' referring to our action in paroling these four men," said Rogers. "The answer is that no fixing was done. No politics entered into our decision.

"When Judge Monkiewicz was appointed to this board last June Atty. Gen. Clark issued a press release saying there was no politics attached to our work. We stand by that statement.

Chicago Daily Tribune
Sept. 4, 1947

2 Who Freed Capone Gang Men 'Explain'

BY JAMES DOHERTY

(Pictures on page 16)

[Chicago Tribune Press Service]

Washington, Sept. 3 — Atty. Gen. Clark today announced the resignation, effective last Saturday, of Thomas W. Wilson, chairman of the federal parole board which last month freed four top gangsters of the old Capone syndicate—Paul Ricca, alias De Lucia; Louis [Little New York] Campagna, Phil D'Andrea, and Charles Gioe.

This became known after the justice department was asked to make public all data concerning the release of the four, who had been sentenced to 10 years' imprisonment for the extortion of more than 1 million dollars and who returned to Chicago two weeks ago after serving only one-third of their sentences. This request drew the answer that federal parole authorities do nothing in public and grant no interviews without permission from Clark's office.

Two Events Not Linked

It was explained that Wilson's resignation was not connected with the Capone gang's release.

The Chicago hoodlums were convicted in a New York federal court on charges of extorting sums from motion picture executives. They used George Browne, former president of the AFL International Alliance of Theatrical Stage Employes, as their pawn in threatening strikes against the Hollywood industry, it was charged.

Asst. Atty. Gen. Leo Cadison authorized an interview with the remaining members of the parole board: Fred S. Rogers, a Bonham, Tex., Democrat, former Texas prosecutor, and justice department employe for 10 years before his appointment to the board last Jan. 12, and Boleslau J. Monkiewicz, a New Britain, Conn., Republican and former congressman, appointed last June 5.

They Don't Have Hearings

"Who appeared before your board in behalf of the paroles of these four men?" the two were asked.

"No one," replied Rogers, who, by virtue of his office, is called "Judge." "We don't have hearings."

Paul Ricca (left) and Louis Campagna.

Phil D'Andrea (left) and Charles Gioe.

Chicago Daily Tribune
Sept. 4, 1947

WARN 3 PAROLED IN FILM RACKET: KEEP OUT OF CITY

Mayor and Police Head Threaten Arrests

Three of four Chicago hoodlums freed Wednesday from federal penitentiaries after serving one-third of their 10 year sentences for a million dollar "shakedown" of the movie industry, reported yesterday to federal parole officials in Chicago. Two said they intended to become farmers; the third said he would become a steel salesman.

Mayor Kennelly and Police Commissioner Prendergast made it clear that the city did not desire the presence of any of the men

The three parolees, and the addresses they gave, are Louis [Little New York] Campagna, 47, of 2927 Maple av., Berwyn; Paul De Lucia, sometimes known as Paul Ricca, 49, of 512 Lathrop av., River Forest, and Charles [Cherry Nose] Gioe, 45, of the Seneca hotel, 200 E. Chestnut st.

Expect Fourth Here Today

The fourth Chicagoan in the group, who was expected to appear in the federal parole offices today, is Philip D'Andrea. Campagna, De Lucia, and Gioe were released from the federal penitentiary at Leavenworth, Kas., and D'Andrea was freed from the federal medical center at Springfield, Mo.

Also paroled with them Wednesday was John Rosselli of Los Angeles, who was to report to parole officers there. Still in Leavenworth penitentiary is Frank Maritote, who was convicted with the others, but whose sentence was delayed while an appeal was made. He will be eligible for parole May 18.

The six were convicted on charges of conspiring to interfere with transportation and commerce by coercion and violence thru a threat to "close every theater in the United States." Principal witnesses against them were Willie Bioff and George E. Browne, former officials of the International Alliance of Theatrical Stage Employes, both of whom previously had been convicted of extortion.

De Lucia to Operate Farm

Each of the parolees was required to obtain a parole adviser and to submit a program for rehabilitation. De Lucia said he had asked the Rev. C. Marzano, C. S. V., assistant in charge of the Viatorian Provincial house, 6219 Sheridan rd., who has known the De Lucia family 20 years, to be his adviser. De Lucia said he would settle down to the task of operating his 1,100 acre farm near Aurora.

Campagna's adviser will be Dr. Walter Lawrence, 743 Thatcher av., River Forest, a physician and surgeon at 6400 Cermak rd., Berwyn, family physician of the Campagnas for more than 15 years.

Campagna also is going to be a farmer, operating two farms totaling 800 acres at Lafayette, Ind., and Berrien Springs, Mich.

Gioe said he would be a steel salesman first and later open a restaurant. His adviser is Harry A. Ash, superintendent of crime prevention for the state department of public safety.

Campagna said he had lost 22 pounds during his 3½ years in prison—the minimum time for a parole—and De Lucia lost 20 pounds. They went to prison April 7, 1944, and will be under parole supervision until April 7, 1954.

Pay Income Tax Claims

They will be required to report monthly in person to the parole office and to submit statements on their activities. Internal revenue department records showed that on April 1 Campagna paid $473,471 in income tax and interest for 1935 thru 1941, and that De Lucia paid $185,528 on that date for taxes and interest for the years 1935 thru 1941, with the exception of the year 1939.

Their future appeared somewhat unpleasant, however, in view of the pronouncements of city officials. Mayor Kennelly said, "We don't want any except law abiding people in Chicago."

Commissioner Prenderzast added, "I have directed my policemen to pick these men up whenever they see them on the streets of Chicago."

Chicago Daily Tribune
Aug. 15, 1947

WHO FIXED THIS ONE?

Four of Al Capone's former lieutenants, sent to prison in 1944 for a million dollar extortion conspiracy against the movie industry, are back on the street, thru the kindness of the federal parole board. The four hoodlums are Little New York Campagna, Paul De Lucia, alias Ricca; Cherry Nose Gioe, and Philip D'Andrea.

They came up thru the ranks of the Capone gang. They were panders, killers for hire, and eventually racketeers in their own right. The motion picture extortion scheme was only one of their many illegal activities. They were busy in syndicate gambling in Chicago and had muscled into a number of labor unions. Altogether it would be harder to find four more despicable and dangerous citizens in the whole city.

Their political connections and their willingness to murder or intimidate witnesses had prevented successful prosecution of many of their crimes. Nevertheless, Campagna had done time as a bank robber, and D'Andrea for toting a gun in a federal courtroom when he was one of Capone's bodyguards.

These men were sentenced to prison for 10 years. They had served exactly one-third of that time, three years and four months, the minimum period that made them eligible for parole. The parole board let them out of prison the moment it was legally possible to do so.

There is nothing in their records to give the slightest hope that they have been rehabilitated and will make peaceful members of society. They are professional criminals, have been professional criminals all their lives, have amassed fortunes in their unspeakable callings, and will be professional criminals until they die, which probably will be at the hands of other criminals.

Since there was no normal reason for granting them parole, the assumption must be that some one put in a fix on their behalf. Atty. Gen. Clark's department of justice has already been shown to be the protector of criminal vote thieves in Kansas City. Now it appears as the patron of even more vicious gangsters. The justice department is obviously making a bid for gangland support for the Truman candidacy next year, at the expense of the law abiding people on whom the gangsters it has freed will prey.

Chicago Daily Tribune
Aug. 16, 1947

5 IN $1,000,000 FILM EXTORTION GRANTED PAROLE

Hoodlums Serve a Third of 10 Year Sentence

Four Chicago hoodlums and a fifth from Los Angeles, serving 10 year sentences for a $1,000,000 movie industry shakedown, were released on parole yesterday after serving only one-third of their terms.

The Chicagoans are Louis [Little New York] Campagna, Paul De Lucia, sometimes known as Paul Ricca, Charles [Cherry Nose] Gioe, and Philip D'Andrea. Campagna, De Lucia, and Gioe were released from the federal penitentiary at Leavenworth, Kas. D'Andrea was released from the federal medical center at Springfield, Mo.

Also paroled was John Rosselli of Los Angeles, who was convicted with the others of conspiring to interfere with transportation and commerce by coercion and violence. Rosselli had been held in a federal prison at Terre Haute, Ind.

Former Capone Hoodlums

Warden Walter A. Hunter of Leavenworth said the paroling of Campagna, De Lucia, and Gioe was approved after a hearing before a federal parole board last month. Still in Leavenworth is Frank Maritote, another Capone hoodlum who was convicted with the others. He will not be eligible for parole until next year.

Warden Hunter was unable to say whether the trio released from Leavenworth had paid the $10,000 fines assessed against them at the time they were sentenced, but said he believed the fines had been paid or they would have been required to serve an additional 30 days.

Tax Liens Await Them Here

All were convicted of extortion on the testimony of Willie Bioff and George E. Browne, former officials of the International Alliance of Theatrical Stage Employes, both of whom previously had been convicted of extortion.

Campagna and De Lucia, when they arrive in Chicago, will find income tax liens awaiting them. The larger lien, for $468,877, for the years 1937 to 1941, was filed against Campagna in April, 1945. A $133,553 delinquency from 1935 to 1941 was listed against De Lucia.

Chicago Daily Tribune
Aug. 14, 1947